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# ***Daily Report***

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## **China**

**FBIS-CHI-90-029  
Monday  
12 February 1990**

# Daily Report

## China

FBIS-CHI-90-029

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12 February 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### Commentary Views Baker's USSR Trip

HK1202065690 Beijing RENMIN RIBAO  
OVERSEAS EDITION in Chinese 12 Feb 90 p 6

["Commentary" by staff reporter Zhang Qixin (1728 0796 2500): "Baker's Visit to the Soviet Union"; dispatch by RENMIN RIBAO OVERSEAS EDITION from Washington on 9 February]

[Text] From 7 to 9 February, U.S. Secretary of State James Baker visited the Soviet Union and had talks with his Soviet counterpart Eduard Shevardnadze and a 3-hour-plus meeting with Soviet Leader Mikhail Gorbachev. This was another important U.S.-Soviet talk following the U.S.-Soviet summit meeting held in early December last year and also the sixth meeting of foreign ministers of the two countries. Sources here maintained: It is still difficult at present to make an overall appraisal of what impact the current meeting will have on East-West relations and U.S.-Soviet relations in the days to come.

Baker's trip to the Soviet Union was originally set at the Malta U.S.-Soviet summit meeting. Both sides hoped to emphatically solve the difficult problems left from the negotiations so as to accelerate the process of negotiations and make preparations for the conclusion this year by the heads of state of the two country of a treaty on strategic arms reduction. Through the talks, both sides have made considerable advances in in some aspects but there are still many differences needing to be further ironed out.

In strategic arms, both sides have initially settled two complicated technical issues. To put it another way, both sides agreed to the restricted use of secret codes in conducting missile tests and reached a consensus on the question of how to count the number of missiles which have not been deployed but are still kept in stock. Both sides have also come nearer to a consensus on the question of how to count the number of bomber-carried cruise missiles. They have also made advances in the question of sea-based cruise missiles, which has been an obstacle to the process of nuclear arms talks, and will openly announce imposition of restrictions on the issue. Hence, U.S. officials contended: Both sides will sign or declare conclusion of, an agreement at the U.S.-Soviet summit meeting to be held in Washington in the coming summer if nothing unexpected occurs.

In disarmament in Europe, the United States once expected that the Soviet Union might possibly suggest deeper cuts than those offered in George Bush's new proposal. However, it has been reported that during the talks, while only raising an objection to U.S. hope to preserve 30,000 U.S. troops in Britain and other countries outside Central Europe, the Soviet Union accepted in principle Bush's proposal but made no further proposition. This brought the United States comfort.

While Baker was visiting the Soviet Union, the situation in the Soviet Union and Europe was in flux. Both sides held talks on the European issue, in particular, the issue of German unification. On the latter issue, although the United States and the Soviet Union had positions and tendencies of their own, they unanimously agreed that the issue of German unification should be settled in the framework of the general process of Europe and the future Germany should be a peace-loving country devoted to living in harmony with neighboring and all other countries.

The changes in the Soviet Union in the last 2 months evoked repercussions of all kinds in the American community and became a topic of much discussion among the politicians. During the talks, both sides spent a considerable portion of time discussing the just concluded plenary session of the CPSU and other Soviet internal issues but what they had discussed was kept tightly secret. They just announced that the two countries would put the economic issue on the agenda of the next dialogue. The current U.S.-Soviet relations are in a state of change.

Judging from the Bush Administration's recent statements, military confrontation still exists in U.S.-Soviet relations. While conducting negotiations on arms control with the Soviet Union, the United States once again stressed the need to preserve military strength so as to "deal with the possible latent threat from the unstable Soviet Union." American President Bush indicated that although the United States and the Soviet Union were working hard to cut down weapons and relax the tension, the U.S. strategic defense system "should still play a role of crucial [zhi guan 5267 7070] importance." A source said: The modernization of the United States' strategic weapons, such as B-2 bombers, Trident submarines, and mobile missiles will continue and there will be no substantial change in the U.S. military strategy.

### Weekly Condemns Dalai Lama Visit To CSSR

HK0802011690 Hong Kong AFP in English 0111 GMT  
8 Feb 90

[Text] Beijing, Feb 8 (AFP)—An influential Chinese weekly magazine has joined the government in condemning the Dalai Lama's recent visit to Czechoslovakia as interference in China's internal affairs by Prague.

OUTLOOK magazine, in a commentary to appear in its next edition, said that the Tibetan spiritual leader's visit to Prague at the invitation of President Vaclav Havel had "deeply hurt the Chinese people and harmed the traditional friendship between the two countries."

The Chinese government had last week protested the visit, saying it was a gross interference in this country's internal affairs. Beijing also cancelled a planned visit here later in the month by Czechoslovakia's Minister of Metallurgy, Engineering and Electrotechnical Industry Ladislav Vodrazka.

OUTLOOK challenged the Czechoslovak Foreign Ministry's assertion that the Dalai Lama had visited Prague in a private capacity and said that the exiled Tibetan's trip represented "an attack against the unification of China."

The magazine also slammed the foreign media for referring to the Dalai Lama, who lives in exile in India, as a spiritual ruler, and said some media had gone so far as to call Tibet a "country" that tried to kick out the Chinese in a 1959 "uprising."

The Dalai Lama fled to India after the bloody 1959 attempt to oust the Chinese.

Lhasa has been under martial law since March after anti-Chinese demonstrations in which some 60 people died.

China systematically lodges strong protests each time a foreign government receives the Nobel Peace Prize laureate, who was in Prague from Friday to Tuesday. It unsuccessfully tried to prevent the Dalai Lama's visit to East Berlin in December.

#### **World Bank 'Considering Other Loans' to State**

*HK1002090890 Beijing CHINA DAILY in English  
10 Feb 90 p 1*

[By staff reporter Wang Xiangwei]

[Text] The World Bank announced on Thursday its first loan to China since last June.

The Bank, the biggest source of aid to the Third World, approved the \$30-million loan for an earthquake-reconstruction project in two of China's northern provinces.

According to a World Bank statement, the approval of the loan signalled the resumption of World Bank Group lending to the country.

The World Bank halted loans to China after the Chinese Government cracked down on the social unrest early last June.

Informed sources told CHINA DAILY that the World Bank is considering other loans to China.

"The bank's board of executive directors is going to discuss loans to other projects in China one by one," a source said.

The Chinese Government has been in constant touch with the World Bank since June with frequent visits despite the bank's decision to hold up loans.

However, CHINA DAILY president of the bank, did not ask for action at this session on \$780 million in loans that the bank stopped in June.

The \$30-million loan was granted through the International Development Association, the World Bank's affiliate that lends on concessional terms to developing nations in the world.

The new 35-year credit is interest free with a 10-year grace period on payments and an annual 0.75 to 1.25 percent charge on the balance.

The World Bank spokesman said that 175,000 residents in Shanxi and Hebei provinces will benefit from the project, designed to rebuild homes and public facilities destroyed or damaged by an earthquake that rocked northern China in October and claimed at least 29 lives.

#### **Chen Yuan Addresses Financial Firms Reception**

*OW1002150490 Beijing XINHUA in English  
1323 GMT 10 Feb 90*

[Text] Beijing, February 10 (XINHUA)—Chinese financial institutions will expand their international financial business and strengthen their co-operation and transactions with foreign financial institutions.

Chen Yuan, deputy governor of the People's Bank of China, stated this today. He was speaking at a reception his bank gave to commemorate the 10th anniversary of the establishment in China of resident representative offices by foreign financial institutions.

Chen said China will formulate or perfect rules and regulations so as to create a more favorable environment and conditions for the expansion of the country's economic and financial co-operation with foreign countries.

He said China has achieved great results in the opening of its finance and banking to the outside world in the past 10 years. The establishment of resident representative offices in China by overseas financial institutions, which started in 1980, is an important illustration of China's opening to the outside world.

Chen said 209 offices have been established by 96 foreign banks and 24 other financial institutions from 26 countries and regions. They are dispersed throughout 14 Chinese cities. In addition, the People's Bank of China has authorized the establishment of two business-operating joint financial institutions.

All these offices and ventures have acted as bridges linking China and the outside world, contributing to the promotion of mutual understanding, to the furthering of co-operation and transactions between Chinese and foreign institutions, and to the expansion of China's economic and trade relations with the rest of the world.

Vice-Chairman of the Standing Committee of the National People's Congress Chen Muhua and more than 300 other Chinese and foreign guests attended the reception.

**UN Representative Urges Antiapartheid Efforts**

OW0902175790 Beijing XINHUA in English  
0147 GMT 9 Feb 90

[Text] Geneva, February 8 (XINHUA)—China today called for more efforts against apartheid in South Africa so as to end the inhuman system.

Zhang Yishan, Chinese representative to the 46th conference of the United Nations Human Rights Committee, said in the debate on South Africa's violation of human rights that racial discrimination policies are strongly contradictory to human rights.

He welcomed South Africa's announcement of steps to the release of Nelson Mandela, the black leader, but stressed at the same time that the regime had not abandoned its inhuman system yet, for example, the so-called "state of emergency" against the black citizens still has to be lifted.

**United States & Canada**

**Former U.S. Congressmen Visit Guangdong**

HK1102043690 Guangzhou Guangdong Provincial  
Service in Mandarin 0400 GMT 9 Feb 90

[Text] The provincial government last night gave a banquet at the Garden Hotel in Guangzhou in honor of a delegation of former U.S. congressmen.

Entrusted by Governor Ye Xuanping, Vice Governor Kuang Ji extended a welcome to the visiting delegation led by former Democratic Party Congressman Richard H. Ichord and former Republican Party Congressman Robert Wilson, which arrived in Guangzhou from Beijing by plane on the afternoon of 8 February.

Speaking at the banquet, Vice Governor Kuang Ji said: Guangdong is a province which took a step ahead of other provinces in our country in carrying out reforms and opening up to the outside world and the 10-year reform has brought about dramatic changes. The opening up policy has attracted a large number of foreign businessmen to run factories and enterprises in Guangdong. So far there have been more than 8,600 enterprises run by foreign investors and more than 56,000 enterprises of processing customer-supplied materials or parts throughout the province. These figures do not include the Panda Motor Car Company opened recently by American businessmen in Huizhou city of our province, which is believed the largest foreign-funded project in our province, and even in China.

The American guests are to visit the construction site of the Panda Motor Car Company in Huizhou.

**Henan Wholesale Agricultural Market Planned**

OW1002121890 Beijing in English to North America  
0300 GMT 9 Feb 90

[Report by station correspondent (Xia Jichuan)]

[Text] In China, the sales of grain, wheat, and other agricultural commodities have been regulated by the government. But now, the state is relaxing its control on these commodities as part of the economic reform. Radio Beijing's (Xia Jichuan) reports the Chinese Ministry of Commerce has made a move to introduce cash market in China.

[Begin (Xia) recording] According to an agreement signed on Friday, the Research Institute of Commerce from the China National Cereals Trade Corporation will join the Chicago Board of Trade to study the cash and the futures markets' favorite agricultural commodities. The board will provide training for Chinese officials in grain wholesale market and a commodities exchange. President of the China National Cereal Trade Corporation (Liu Dongping) says, a group of three officials will soon be leaving for Chicago for training. If everything goes well, he expects the first wholesale market of agricultural commodities to be set up in central China's Henan Province in April.

The move is part of a gradual shift away from complete government control of its staple food. After the People's Republic of China was founded in 1949, the country faced an acute shortage of food. To guarantee the basic provision for its huge population, the government regulated the sale and rationed the consumption of staple food such as grain, wheat, and corn. However, the state monopoly has been giving way to market deregulation since China adopted reform policies in the late 1970's. (Liu Dongping) says, China is now experimenting with the deregulation of major agricultural items.

(Liu Dongping) says, over the years, the state has reduced the amount farmers must sell to the government and now encourages them to sell their surplus on the free market. In this way, farmers earn more income as the government becomes less involved in the process. At the end of last year, the total volume of commodities sold was equally divided between government quotas and the free market sales. However, (Liu Dongping) says, China needs managerial experience to ensure proper functioning of the country's cereal market. This need led to the agreement between the Chinese Ministry of Commerce and the Chicago Board of Trade. (Liu Dongping) says, this agreement will surely help China reform its cereal market. But the Chinese market will not be a carbon copy of the American system.

(Liu Dongping) says, after a few trips abroad, he has realized China cannot just copy foreign market systems because conditions are different. For one thing, China does not have a full market economy and the major part of the grain is for consumption but not for speculation. The government also wants to keep supply and the price of staple food comparatively stable. [end recording]



**Soviet Union****Li Peng Plans Late April Visit**

*OW1202071890 Tokyo KYODO in English  
0643 GMT 12 Feb 90*

[Text] Beijing, Feb. 12 KYODO—Chinese Premier Li Peng will visit the Soviet Union in late April for talks with Soviet leaders, Eastern Bloc sources here said Monday.

Informed sources also said Chinese Communist Party Chief Jiang Zemin will visit North Korea just before Li's visit to the Soviet Union.

China and the Soviet Union normalized state and party relations last May when Soviet leader Mikhail Gorbachev visited China.

China is reportedly reacting against radical reforms in eastern Europe and the Soviet Union's "new thinking" behind the reforms, however.

Li's discussions with Soviet leaders are expected to concentrate on economic cooperation, and he will probably discourage any interference in China's domestic affairs, the sources said.

They said Li and Soviet leaders are expected to agree on development of growing bilateral trade and cooperation in joint ventures and the development of Siberia.

Meanwhile, Jiang's visit to North Korea is expected to come just after a session of the National People's Congress, China's parliament, which opens in late March, the sources said.

North Korea, a staunch ally of China, will be the first foreign country to be visited by Jiang since he took the post last June.

The Chinese and North Korean leaders will confirm their solidarity before Li visits the Soviet Union, the sources said.

**Heilongjiang Opens Border Trade Ports**

*SK1102073090 Harbin Heilongjiang Provincial  
Service in Mandarin 2200 GMT 9 Feb 90*

[Summary] With the approval of the State Council, Heilongjiang Province has opened six border trade ports with the Soviet Union, which include Raohe county of Jiamusi city, (Linshan) town of Luobei county, (Wutou) town of Hulin county, (Zhangbi) town of Mishan city, Nehe county, and (Jiayi) county. After opening these ports, there will be five trade ports with the Soviet Union along the province's northern border line, and five trade ports along the province's eastern border line, and four trade ports along the Songhua River border section in the province.

**Northeast Asia****Wang Zhen Meets Japanese Businessmen**

*OW1202064590 Beijing XINHUA in English  
0246 GMT 12 Feb 90*

[Text] Zhuhai, February 12 (XINHUA)—Chinese Vice-President Wang Zhen told a group of Japanese businessmen that China's special economic zones (SEZ) will open up with "larger steps".

During a meeting with a delegation from Japan's Canon Company headed by its Chairman Kaku Ryuzaburo and President Keizo Yamaji here last Saturday, Wang called the visitors "old friends, who have done a lot for the friendship and economic cooperation between China and Japan".

As China continues to carry out the reform and open policy, Wang said, its special economic zones will be built up in a better way.

Ryuzaburo spoke highly of China's reform and open policy, and expressed admiration for Zhuhai's achievements, saying the current on-the-spot investigation has proved that their decision to invest here is right.

"I believe we have a broad prospect for cooperation," he added.

The Japanese businessman spoke against the economic sanctions against China imposed by some countries, saying "closer cooperation, instead, should be conducted" to support China's modernization drive.

The Japanese group was invited by the Zhuhai municipal government.

**Commentary on Reduction of U.S. Troops in ROK**

*SK1102132090 Beijing International Service  
in Korean 1100 GMT 7 Feb 90*

[Unattributed commentary: "Plan To Unify or Abolish Military Bases"]

[Text] On 30 January, the South Korean authorities and the United States [words indistinct] that the United States will withdraw three air bases in Taegu, Suwon, and Kwangju and approximately 2,000 non-combat troops from South Korea. As various news agencies have commented, this plan by the United States to withdraw troops was not mapped out to alleviate tension on the Korean peninsula and to promote an atmosphere favorable to various channels of dialogue underway between the North and South of Korea but to put pressure on (?Seoul) as a last resort.

[Words indistinct], since late last year, some U.S. congressmen have demanded that the U.S. troops be withdrawn from South Korea because South Korea's (?military strength) enjoys absolute supremacy over that of the North of Korea in [words indistinct], and has urged

President Bush to immediately map out a plan to withdraw the troops. Because the budget deficit has drastically increased every year, the people in the United States have strongly demanded that military expenditure be reduced. It costs \$2 billion a year to maintain the U.S. troops in South Korea at their current scale. The South Korean side pays (?two fifths) of it. The (?Pentagon) demanded that the South Korean side increase its share, and the South Korean side rejected this demand. In January this year, the United States announced that it will (?reschedule its timetable) for the withdrawal of its troops from South Korea if South Korea pays more of the expenditures for the presence of the U.S. troops in South Korea. However, the South Korean side said that it is not able to accept this demand by the United States. Therefore, the United States is planning to withdraw approximately 2,000 troops from South Korea in order to reduce its military expenditures.

[passage indistinct] As a result, the South Korean people's anti-U.S. sentiment is growing, and the youth and students have continuously staged demonstrations, demanding that the U.S. troops be withdrawn. Last year, the South Korean authorities demanded that the U.S. forces headquarters be removed from Seoul, [words indistinct] operational control. [passage indistinct]

#### **Article Criticizes Jailing of ROK Student, Priest**

HK1202075390 Beijing RENMIN RIBAO in Chinese  
27 Jan 90 p 3

[Article by Ya Ping (0068 1627): "How Can Yim Su-kyong Be Guilty"]

[Text] The South Korean authorities concerned recently tried young student Yim Su-kyong and priest Mun Kyu-hyon in absentia [que xi shen pan 4972 1598 1399 0445] and sentenced them to 15 and 10 years' imprisonment respectively. This is another act on the part of the South Korean authorities to persecute patriotic progressive figures and sabotage the reunification of North and South Korea.

During the 13th World Youth Festival held in Pyongyang last July, as the only representative of the "All-Korea Federation of University Students [quan da xie 0356 1129 0588]," the largest organization of university students in South Korea, Yim Su-kyong, after passing through many places covering thousands of miles, went to Pyongyang to attend the festival. In the course of her visits during and after the festival, with full enthusiasm she talked about her hopes for the early peaceful reunification of North and South Korea. She actually voiced the aspirations of the great majority of the South Korean people. Later, she insisted on returning to Seoul through Panmunjom, also with an eye to expressing her strong wish for reunification. The fact that priest Mun Kyu-hyon made a special trip to Pyongyang from Japan to accompany Yim Su-kyong also expressed his sympathy for this ardent girl. The wanton persecution perpetrated by the South Korean authorities

should naturally be subject to strong denunciation by all Korean people and international public opinion.

In recent years, the South Korean authorities have paid constant lip service to reunification. In 1987, in what was called the "7 July Statement," No Tae-u even asserted that North Korea, instead of being regarded as the "enemy side" in the future, would be treated as a "partner." It is precisely against this background that Yim Su-kyong made the trip to Pyongyang. Normally, any Korean, whether a member of the ruling or opposition parties, whether a government official or a civilian, and whether inside or outside the country, has the right to take an interest in all things related to the reunification of the country. Since Yim, enduring the hardship of a long journey, has such a praiseworthy spirit in going around campaigning for the the great cause of the reunification of the motherland, how can she be guilty? The action of the South Korean authorities is indeed incompatible with accepted codes of human conduct and makes people indignant. It is reported that the basis for convicting Yim Su-kyong and others is that they have violated what is called the "Security Law." It is hard to imagine how a weak girl, who lacks the strength to truss up a chicken, and a priest, who has separated himself from this mortal world, can pose a threat to South Korea's security by uttering a few remarks about the reunification of the state. People can only raise doubts: Are the South Korean authorities really sincere about the reunification of Korea?

On New Year's Day this year, in his New Year message President Kim Il-song proposed the dismantling of the cement wall on the southern side of the military demarcation line in order to attain free contact and all-round opening between North and South Korea. If the South Korean authorities are really sincere about the reunification of Korea, and agree to free contact and all-round opening between both sides, they should immediately set free Yim Su-kyong and Mun Kyu-hyon, with a verdict of "not guilty."

#### **Mongolian Red Cross Group Visits Inner Mongolia**

SK1202003290 Hohhot Inner Mongolia Regional  
Service in Mandarin 2300 GMT 10 Feb 90

[Text] A three-member delegation of the Red Cross Society of the People's Republic of Mongolia paid a friendly seven-day visit to the region from 3 to 9 February. The delegation was invited by the Red Cross Society of the Inner Mongolia Autonomous Region. The delegation was headed by (Sulai), president of the Mongolian Red Cross Society. During the visit, the two sides formally signed a five-year agreement on cooperation.

## Southeast Asia & Pacific

### Australian Ambassador Visits Yunnan Province

HK1202072790 Kunming Yunnan Provincial Service  
in Mandarin 1100 GMT 10 Feb 90

[Text] Governor He Zhiqiang met and hosted Australian Ambassador to China David Sadleri at the Jinlong Restaurant in Kunming.

Host and guest held talks in a cordial and friendly atmosphere.

Governor He Zhiqiang said: The cooperation between Yunnan Province and Australia has yielded marked results. There are good prospects for their cooperation in the industrial and agricultural fields. The ambassador's visit to our province has further promoted friendly exchanges between us. It is hoped that Ambassador Sadleri will come to our province very often.

Ambassador David Sadleri expressed thanks for the warm reception given by Governor He Zhiqiang. He said: Australia will maintain and develop dynamic friendly relations with China. At the same time, it will maintain and develop close cooperation with China's Yunnan Province.

Present at the meeting were Kunming Mayor (Wang Tingcheng) and leaders of the provincial Foreign Affairs Office, the provincial Planning Commission and the provincial Economic and Trade Department.

Ambassador Sadleri and his party arrived in Kunming by plane from Beijing yesterday afternoon for a friendly visit. After arriving in Kunming, he paid an official call on Kunming Mayor (Wang Tingcheng) at the provincial Foreign Affairs Office. During their visit to our province, Ambassador Sadleri and his party will also hold discussions with officials of the provincial Planning Commission and the provincial Economic and Trade Department, visit (Xiaoshe) Pastureland, a Chinese-Australian joint venture, and make a tour of the Xishuangbanna area.

Over the past few years trade between Yunnan Province and Australia has developed steadily, their trade volume has increasingly risen, and they have carried out economic and technical cooperation in many projects. The (Lubuge) Hydropower Station, which was built with relief funds donated by Australia, and joint projects of improving breeds of domestic animals and grazing grounds in Yunnan have all produced good results.

### Indonesia's Alatas on Normalizing Relations

OW1002015790 Beijing XINHUA in English  
1600 GMT 9 Feb 90

[Text] Beijing, February 9 (XINHUA)—Indonesian Foreign Minister Ali Alatas said a normalization of diplomatic relations between Indonesia and China could take place this year, "THE JAKARTA POST" reported Tuesday.

In a hearing with members of the House of Representatives (DPR) in Jakarta on Monday, Alatas said the two countries needed one more technical meeting on a "small item" before their respective foreign ministers would meet.

He said that a small team would soon visit Beijing to discuss "financial problems."

"When the two foreign ministers meet, the topic will be predictable, that is, the date of the normalization," Alatas said.

"When precisely the normalization will take place we still do not know, but it is fair to anticipate that it would happen this fiscal year," Alatas said.

He said the Indonesian Foreign Ministry had earmarked a budget of eight billion rupiah (about 4.4 million U.S. dollars) for the opening of an embassy in Beijing.

Sino-Indonesian diplomatic ties broke off in October 1967. The process of diplomatic normalization between China and Indonesia started in February last year when Chinese Foreign Minister Qian Qichen met Indonesian President Suharto in Tokyo. They declared the start of a normalization of relations, which led to numerous contacts and resolved major issues.

In December last year, the two sides held a meeting in Jakarta on technical issues involving the resumption of diplomatic relations between the two countries, and discussions on diplomatic facilities, dual nationality, bilateral agreements and outstanding debt settlements.

## Near East & South Asia

### Deng's Son Plans Southeast Asia Goodwill Trip

HK1202014390 Hong Kong SOUTH CHINA  
MORNING POST in English 12 Feb 90 p 6

[By Willy Wo-Lap Lam]

[Text] Deng Pufang, the eldest son of senior Chinese leader Mr Deng Xiaoping, is planning a trip to South Asia next month, a sign, many analysts say, that his father still has a firm grip on mainland politics.

Chinese sources say that Mr Deng, 46, will be making goodwill visits to South Asian countries, probably including Pakistan and Bangladesh, in his capacity as director-in-chief of the China Welfare Fund for the Handicapped.

While the ostensible purpose of Mr Deng's visit is to tour welfare amenities and to exchange information on recent developments to help the handicapped, his trip will also serve diplomatic purposes, as he is expected to meet leaders in the host countries.

Mr Deng's trip underlies the importance Beijing is attaching to consolidating relationships with Third



World countries in the wake of political and economic sanctions imposed by the West.

Partially incapacitated in an accident during the Cultural Revolution, Mr Deng has remained a close adviser of his father on major issues.

Until late last year, Mr Deng headed the Kanghua Development Corporation, one of the largest state-run companies in China.

Kanghua was closed in October as part of a national campaign to clamp down on government-run companies, notably those which might have been involved in speculation and profiteering.

While Mr Deng has in recent years visited the United States and Hong Kong, he seldom travels abroad; and his trip has been interpreted by Western diplomats as an indicator of the health and political fortunes of Mr Deng Xiaoping.

"Mr Deng would not have decided to make an overseas trip if his father's health was not robust," a Western diplomat said.

Since Kanghua came under investigation for profiteering and questionable deals in foreign exchange in the middle of last year, Mr Deng Xiaoping had asked his son to dissociate himself from the company and to keep a low profile.

"That Deng Pufang is again coming into the media limelight is a sign that Deng Xiaoping is confident about his own political position," a Chinese source said.

"In the wake of the Tiananmen Square crackdown, most members of the Deng household had avoided public functions."

The senior leader made his last appearance at the Lunar New Year in Shanghai. Western analysts say he has played an active role in domestic and foreign affairs.

#### **Defense Minister To Visit Pakistan, Bangladesh**

HK1002015990 Hong Kong SOUTH CHINA MORNING POST in English 10 Feb 90 p 8

[By David Chen]

[Text] The Chinese Defence Minister, General Qin Jiwei, will visit Pakistan and Bangladesh at the end of this month to boost military co-operation between Beijing and the two South Asian countries, it was reliably learned yesterday.

The visit, sources said, is a part of closer co-operation between China and the two countries and follows the November visit by the Chinese Prime Minister, Mr Li Peng, to the two countries and the current visit by the Chinese Air Force commander, General Wang Hai.

It was also learned that China has agreed to sell several squadrons of fighter planes to Pakistan and Bangladesh, although the exact number and the types of planes have been kept secret.

However, the SOUTH CHINA MORNING POST learned that Bangladesh is negotiating the purchase of two squadrons, totalling about 20 MiG-19s or MiG-21s from Beijing.

While the air force deal has caught the attention of analysts, it is the forthcoming trip by the Chinese defence minister that intrigues them.

General Qin is known to have opposed using troops on the people during the pro-democracy movement last spring. At one time, he was even said to have been placed under house arrest for his objection.

However, Mr Deng Xiaoping, his superior during the anti-Japanese and the liberation wars, defended him and he remained as head of the defence ministry, although press reports claim that he has been out of favour for some time, especially after the reorganization of the party's Military Affairs Commission.

Sources close to the Chinese military maintain that General Qin is out of favour and that it is only a matter of time before he is replaced. If this is so, then the journey to Dhaka and Islamabad may be viewed as a farewell reward for his long and illustrious career before he retires.

Another interpretation is that General Qin might be in for a more senior position, according to a well-informed military source, to balance the power structure following the appointment of Mr Yang Shangkun, as the first vice-chairman of the Military Commission, and his brother, General Yang Baibing, as its secretary-general.

#### **Minister at Iranian Revolution Anniversary Fete**

OW1202114590 Beijing XINHUA in English  
0817 GMT 12 Feb 90

[Text] Beijing, February 12 (XINHUA)—The charge d'affaires a.i. of the Islamic Republic of Iran, Hasan Farazandeh, gave a reception at the Iranian Embassy here today to mark the 11th anniversary of the victory of the Islamic revolution of Iran.

Huang Yicheng, Chinese minister of energy resources, was among the guests at the reception.

#### **Air Force Commander Arrives in Bangladesh**

OW1002005590 Beijing XINHUA in English  
0859 GMT 9 Feb 90

[Text] Dhaka, February 9 (XINHUA)—General Wang Hai, Air Force commander of the Chinese People's Liberation Army, arrived here Thursday night on a six-day goodwill visit to Bangladesh.

General Wang Hai and four other members of his delegation were greeted at the airport by Bangladesh Chief of Air Staff Air Vice Marshal Mumtazuddin Ahmed and other senior officers of Bangladesh Air Force.

During his stay in Bangladesh, the Chinese Air Force commander is expected to meet President H.M. Ershad and the supreme commander of the armed forces. He will also visit various bases and training institutions of Bangladesh Air Force.

#### **Moroccan Group Explores Managerial Cooperation**

*LD0802205490 Rabat MAP in English 1225 GMT  
8 Feb 90*

[Text] Beijing, Feb 8. (MAP)—Moroccan Minister in charge of Administrative Affairs Abderrahim Benabdeljalil started a one week visit to China Monday at the invitation of the Chinese Government to step up Moroccan-Chinese cooperation in matter of administration and personnel management.

The Moroccan minister was received by Chinese Deputy Premier Wu Xuegian who hailed the excellent friendship relations and cooperation between Morocco and China in matters of health, agriculture and sports.

The Chinese official also expressed the thanks of his government to the support of Morocco in last July in Marrakech to China's candidacy to the International Institute of Administrative Sciences.

Benabdeljalil had also talks with Chinese Minister of Personnel Zhao Dongwan, Minister in charge of the Commission of the State Planning, Zhou Jiahua and vice-minister of personnel Thang Thijian [name as received].

During these talks, the Moroccan delegation and the Chinese officials exchanged ideas on their experiences in matters of civil service, staff management, training and refreshing courses, administrative organization and reform.

On this occasion the Chinese officials stressed their admiration for progress achieved by Morocco in matters of staff training and administration.

At the end of these meetings, the two parties identified the cooperation fields in public administration, management of personnel and organization of training courses to the profit of the civil servants of the two countries.

The Moroccan delegation will go to other towns to visit a number of social-economic accomplishments and Chinese administrative institutions.

#### **Kuwait Grants Loan for Xiamen Airport Expansion**

*HK0202021590 Hong Kong HONGKONG STANDARD  
(BUSINESS STANDARD) in English 2 Feb 90 p 3*

[By Cheung Lai-kuen]

[Text] Xiamen airport, in the special economic zone, is being expanded with the aid of a U.S.\$20 million loan from the Kuwaiti government, according to a SEZ official.

Phase two of the airport development project started at the end of last year, the official said.

Chen Deqiu, director of the Bureau of Foreign Investment Administration of the Xiamen municipal government, said expansion work had begun last November and was going on apace to cope with increasing passenger demand.

He said the existing airport, which had been completed in 1983, had been designed to receive 320,000 passengers a year.

However, he said, the airport had handled more than 820,000 local and international passengers last year.

Of these, more than 70,000 were Taiwanese who travelled through Xiamen airport directly.

Mr Chen said the expansion plan included a new international airport lounge as well as an extended runway to handle Boeing 747 aircraft.

At present, Xiamen airport's 2,800 metre runway was capable of accommodating only Boeing 737 aircraft.

Construction work on phase two of the project was estimated to take two years, at a cost of around U.S.\$20 million, Mr Chen said.

Funding for the expansion project has been provided by the Kuwaiti Government in the form of a low interest loan.

Capital for the construction of the existing airport had also been provided by the Kuwait Government.

To cope with the increasing demand of day-to-day passenger traffic, a small lounge for domestic flights was now under construction.

He said the move was aimed at easing congestion in the existing lounge for international flights.

Mr Chen, said currently Xiamen airport had three international flights—Hong Kong, Manila and Singapore, in addition to 18 domestic routes.

On a weekly basis Xiamen airport might accommodate a total of 106 flights, he said.

He said Xiamen had plans to launch direct flights to Tokyo in view of more and more Japanese businessmen visiting the SEZ.

But negotiations had not been finalised yet, he said.

Expansion of international flights had been limited by too few aircraft owned by Xiamen, he claimed.

Xiamen, at present, has its own regional airways company—Xiamen Airways—with a fleet of three Boeing 737s.

He said Xiamen Airways has been running direct flights from Xiamen to Hong Kong.

The company was one of the few profitable regional airlines in China, he said.

In order to cope with future demand, Mr Chen disclosed that Xiamen Airways had purchased three Boeing 757s recently.

They were expected to be delivered in 1992.

He added that further expansion of the airport which was under blueprint now, would include an intersecting runway.

Apart from passenger air transport, air freight was also one of the SEZ's key targets for this year, said Mr Chen.

With Xiamen's fast-developing high-end garments industry, small electronic components manufacture and aquatic exports, air freight has been in high demand, he said.

Xiamen launched two air freight routes from Xiamen.

One stops over at Shanghai enroute to Japan, while the other touches down at Guangzhou and Singapore on its way to either the United States or Europe.

He said air cargo only took three days from Xiamen to the United States and European countries on the two routes.

But the SEZ would like to expand further its air-freight routes, he said.

He added that the major part of airfreight from Xiamen was not routed through Hong Kong, because the territory demands all air cargo be kept for at least 24 hours before being re-exported, due to security reasons.

### Sub-Saharan Africa

#### Spokesman Urges More Efforts for RSA Equality

OW1202113590 Beijing XINHUA in English  
1030 GMT 12 Feb 90

["China Happy at Mandela's Release: Spokesman"—XINHUA headline]

[Text] Beijing, February 12 (XINHUA)—China is very happy at the release Sunday of the well-known South African black leader, Nelson Mandela, after being unwarrantably imprisoned by the South African authorities for 27 years and a half, a Chinese Foreign Ministry spokesman said here today.

He said that Mandela, an outstanding son of the South African people, has fought at tremendous personal sacrifice against South African racism for almost half a century and made important contributions to the cause of the South African black people for racial equality.

In the long years of his imprisonment, Mandela remained unyielding and faithful to his ideals, inspired awe by upholding justice and persisted in his struggles, thus displaying his dauntless heroism, the spokesman said.

Mandela is not only wholeheartedly supported by the South African people but also respected by all the justice-upholding people the world over, including the Chinese people, the spokesman added.

Mandela's release is the result of the prolonged and unremitting struggle waged by the South African people and the various African countries with the support of the international community, he said, adding that it will certainly inspire the South African people to press ahead on the road of victory.

He noted that the measures taken by the South African authorities to free Mandela and lift the ban on the organizations such as the African National Congress and the Pan-Africanist Congress are worth welcome but are by no means enough.

The South African authorities should, conforming to the historical trend of the times, abolish the system of apartheid for good and enter into serious negotiations with the representatives of the black people on the establishment of a new, united and democratic South Africa where all races enjoy equality, he said.

#### Government Aids Cameroon Vegetable Project

OW1002225690 Beijing XINHUA in English  
0703 GMT 10 Feb 90

[Text] Yaounde, February 9 (XINHUA)—China and Cameroon signed a contract here today for a vegetable growing project on an area of 21 hectares in the village of Batchenga, some 70 kilometers from the capital.

One hectare will be reserved as an experimental area while the rest will be cultivated by the local peasants with the technical assistance of a 15-member Chinese mission. The project will be completed in 12 months.

Speaking at the signing ceremony, the Chinese ambassador, Shen Lianrui, said he hoped the fruits of the project would soon be seen in the markets. He also said that the Chinese Government is to organize a training course for agro-technicians from French-speaking African countries, including Cameroon.

### West Europe

#### UK Companies Attempt Business Link Expansions

HK1002090290 Beijing CHINA DAILY in English  
10 Feb 90 p 2

[By staff reporter Wang Xiangwei]

[Text] British companies will try to expand business links with China this year, particularly on infrastructural



projects, said Lord Sharp of Grimsdyke, president of the Sino-British Trade Council (SBTC).

Lord Sharp told CHINA DAILY that 1990 promised to be a significant year for China and Britain to continue their bilateral trade following China's recent lifting of martial law and its reaffirmed commitment to the open-door policy.

"Business does and will continue," said Lord Sharp, visiting China for the tenth time, and the first since last June.

He said his visit might bring about the full normalization of trade between the two countries, strained since early last June when China's crackdown on social unrest was followed by economic sanctions imposed by the United States, Britain and some other Western nations.

Lord Sharp left China yesterday after three days of intensive discussions with a number of high-ranking Chinese officials, including Premier Li Peng.

Lord Sharp said that during his meetings with Chinese officials agreement had been reached on the need to expand trade between the two countries despite the difficulties.

Direct trade volume between China and Britain reached about one billion pounds Sterling, according to British statistics.

Sharp said that despite the present austerity programme China still needed to develop its infrastructure as a basis for future economic development.

"The British companies are uniquely placed to assist China to achieve its modernization purposes through major capital projects related to infrastructure," he said.

He said the SBTC has already worked out a programme with the China Council for the Promotion of International Trade to organize five or six trade missions to China this year.

The trade missions, which comprise important British businessmen, are expected to make presentations and hold seminars on power, railway, transport, telecommunications, water treatment, and food and beverages.

The first mission on railways was expected to be in China from April 16 to 22, said David Coughtrie, managing director of London Transport International Ltd.

Lord Sharp said he also had detailed discussions with senior Chinese officials on British financial and technical assistance to China's nuclear power stations and the Beijing subway system.

#### **UK Shipping Firm to Reopen Shanghai Office**

HK0202020390 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 2 Feb 90 p 1

[Text] Dodwell Shipping, a subsidiary of Inchcape Pacific, has re-opened an office in Shanghai after an absence of 40 years, the company announced yesterday.

It said Dodwell began operations in China in 1958 as the first transatlantic shipping company.

It currently offers supervisory services to foreign ship-owners and charterers to speed-up vessel turnaround in all Chinese ports open to foreign vessels.

Meanwhile, Inchcape Pacific Shipping Services (IPSS) has acquired Harcross Shipping Agencies from Tait and Co, the oldest foreign company in Taiwan.

"The re-establishment of Dodwell Shanghai and the acquisition of Harcross further demonstrate Inchcape Pacific's commitment to the growth of Asia's shipping industry," said Inchcape Pacific's director for shipping services Mike Simpson.

In 1987, IPSS teamed up with Shanghai International Container and Trucking Corp to set up Land Ocean Inchcape Shanghai, the only container freight station and transport joint venture in the mainland.

Land Ocean offers a wide range of shipping services, including container trucking, forwarding, licensed customs broking and container repair.

"Both joint venture parties have been committed to further develop the company, strengthen the transport infrastructure in China, and bring the quality of shipping services to international standards," Mr Simpson said.

Land Ocean and Inchcape Pacific have also conducted employee exchange training programmes in China and Hong Kong.

IPSS has likewise invested U.S.\$3 million (HK\$23.4 million) in information systems development, aimed at expanding its shipping services. This move will enable the company to offer a level of agency service that few competitors can match.

Its subsidiary, Inchcape Systems Group, has developed a leading edge in systems for their worldwide network of offices.

IPSS is one of the largest and longest-established shipping agency groups in the Pacific.

It has six offices in Japan and operations in Hong Kong, China, the Philippines, Panama, Canada and Micronesia.

Inchcape Pacific is the Far East regional organisation of Inchcape PLC, an international services and marketing group.

It is involved in motors, business machines, consumer and industrial products, buying services, inspection and testing services, and shipping.

## Political & Social

### Article Views Bourgeois Liberalization Opposition

OW1102035790 Beijing XINHUA in English  
0201 GMT 11 Feb 88

[“BEIJING REVIEW Article: ‘Why Does China Oppose Bourgeois Liberalization?’—XINHUA headline]

[Text] Beijing, February 11 (XINHUA)—The latest issue of the English weekly BEIJING REVIEW carries a signed article entitled “Why Does China Oppose Bourgeois Liberalization?”. Following is the full text of the article:

A lot has been said and written abroad about China's criticism of bourgeois liberalization. Many people wonder what the Chinese have against it. To answer the question, we must begin by pointing out, first, that “liberalization” has a specific meaning in this context, and second, that what is meant is bourgeois liberalization, not liberalization in general.

Let us examine the concept of liberalization as seen in China today and see why it is being criticized in the Chinese media.

#### The Origin of the Term

The term “liberalization” is not a Chinese invention but a political one first used by the West. Chinese theoreticians have added an adjective to form the phrase “bourgeois liberalization,” indicating something totally different from the proletarian concept of liberty.

In many public speeches he made in 1953-57, the then U.S. Secretary of State John Foster Dulles repeatedly averred that it was the established policy of the United States to promote “liberalization” in the Soviet Union, China and other socialist countries and to place its hope on the third and fourth generations in these countries.

Calling the people of the socialist countries “enslaved” and the capitalist countries the “free world,” Dulles said:

“We must always have in mind the liberation of these captive peoples. Now liberation does not mean a war of liberation. Liberation can be accomplished by processes short of war.” (“Testimony of the New Secretary of State at a Senate Hearing,” January 15, 1953).

“It must be and can be a peaceful process,” Dulles said, “but those who do not believe that results can be accomplished by more pressure, by the weight of propaganda, just do not know what they are talking about.”

He therefore urged the Voice of America and the U.S. media in general to work up antagonistic sentiments among the people of countries behind the “Iron Curtain” (i.e., the socialist countries), and assure them of the “moral support” from the United States. Dulles further asserted, “We believe that it is almost certain that there will be an evolutionary change—probably evolutionary” (“Secretary Dulles’ news conference on July 2, 1957”).

Since then Dulles’ name has been associated with the term “peaceful evolution,” and the term “liberalization,” used in this context, has become synonymous with his brand of “peaceful evolution.”

Since the days of Dulles, anti-socialist forces in the West have constantly pursued a strategy of “liberalization” or “peaceful evolution” within the socialist countries. Through the media and other means, such as cultural exchange, they have sought to infiltrate the socialist countries and publicized the ideology and values of the Western bourgeoisie and its pattern of “free society.” They have incited “dissidents” in these countries to seize every opportunity to create splits, stir up riots and subvert their governments. The turmoil in Beijing that finally developed into a rebellion against the Chinese Government in late spring and early summer last year was just such a result of joint efforts by anti-socialist elements at home and abroad to achieve their strategic goal of “liberalization” or “peaceful evolution” in China.

#### China's Struggle Against Bourgeois Liberalization

Imperialist activities to subvert the coming new state of China placed the Chinese people on the alert even before the birth of the People's Republic. In a letter of transmittal to President Harry S. Truman on July 30, 1949, U.S. Secretary of State Dean Acheson openly declared that “... [ellipses as received] Ultimately the profound civilization and the democratic individualism of China will reassert themselves.... [ellipses as received]”

Answering the challenge, Chairman Mao Zedong pointed out that Acheson and his like had a flimsy social base in China. He called on the “democratic individualists” among the Chinese who still had illusions about U.S. imperialism to “cast away illusions and prepare for struggle” and take the side of the people instead of being pulled over by the imperialists (Mao Zedong: “Cast Away Illusions, Prepare for Struggle,” August 14, 1949, Selected Works of Mao Tse-tung, Vol. 4, p. 428).

Ever since 1978, when China adopted a policy of reform and opening to the outside world in 1978, her leadership has kept a constant watch on bourgeois liberalization.

In an interview with American-Chinese scholar Chen Gu-ying on May 20, 1985, Deng Xiaoping said, “a new trend of thought has appeared after the ‘gang of four’ was toppled in 1976 and it is called bourgeois liberalization. Its believers worship the ‘democracy’ and ‘freedom’ of Western capitalist countries and negate socialism—this cannot be done.”

“While carrying out the policy of opening to the outside adopted at the third plenary session of the 11th party Central Committee,” he added, “we should also do something to curb the tendency towards liberalization. The two tasks are interrelated. Without holding the tendency towards ‘liberalization’ in check, the open policy can hardly be implemented.”

At the 12th party congress held in September 1982, the four cardinal principles (adherence to the socialist road, to the Communist Party's leadership, to the people's democratic dictatorship and to Marxism-Leninism and Mao Zedong Thought), with party leadership at the core, were reiterated and the nation was urged to criticize and check the tendency towards bourgeois liberalization and strike hard at criminal activities against socialist construction.

In September 1986, a resolution adopted at the sixth plenary session of the 12th party Central Committee expounded the guiding principles for building a socialist society with an advanced culture and ideology. It said: "Bourgeois liberalization, which means negating the socialist system in favour of capitalism, is in total contradiction to the people's interests and to the trend of history, and it is therefore firmly opposed by the masses."

Addressing the session on September 28, Deng Xiaoping said, "'liberalization' means, by itself, confrontation with, opposition to or revision of, our current policies and system. In actual effect, 'liberalization' leads China onto the capitalist road."

Then again, in March 1987, referring to the few intellectuals who had whipped up campus unrest in Beijing, he said that these people "want to reject the socialist system and promote bourgeois liberalization. What is called bourgeois liberalization means nothing but the wholesale Westernization of China and shifting the country to the capitalist road" ("China Can Only Follow the Socialist Road," March 3, 1987).

The facts cited above make it clear that China's policy of opposing bourgeois liberalization did not take shape after the student unrest in late 1986 or in 1989, as some people allege, nor did it come into effect only after the quelling of the anti-government rebellion in Beijing last year. Rather, it has been repeatedly stressed since the third plenary session of the 11th party Central Committee in December 1978; it was actually adopted at the same time as the policy of reform and opening to the outside world. To oppose bourgeois liberalization means to oppose the rejection of the socialist system and the adoption of the capitalist system.

Here are some misconceptions concerning China's criticism of bourgeois liberalization that call for clarification.

First, some say that the struggle indicates a change or a retrogression in China's policies.

The quotations given above show that it is China's consistent policy to uphold the four cardinal principles while combating bourgeois liberalization. China has always emphasized the importance of opposing bourgeois liberalization and will continue to do so in the future.

Only those who want to change this policy advocate "liberalization." They talk about reform and opening to the outside world but say nothing about the struggle

against bourgeois liberalization or about the four cardinal principles. Therefore, opposition to "liberalization" actually means opposing a change in China's current policies.

Second, the criticism of bourgeois liberalization is sometimes seen as contradicting the policy of opening to the outside world.

In fact, such criticism is designed precisely to ensure better implementation of the policy of reform and opening to the outside world. There are two different approaches to the policy of reform and opening to the outside world. While the Chinese party and government see the policy as a means of improving the socialist system and accelerating socialist development, those who long for "liberalization" want to replace socialism with capitalism. The reason why China has achieved universally recognized successes over the last decade is precisely because of her adherence to the four cardinal principles and rejection of bourgeois liberalization while carrying out reform and opening to the outside world. It is a pity that the vigour of the struggle has been affected by interference from time to time, which prevented the nation from achieving more.

Third, China's opposition to bourgeois liberalization has given rise to worries that foreign business people may not want to have economic exchange and co-operation with China.

As stated above, by bourgeois liberalization is meant the negation of the socialist system and the adoption of a capitalist system in China. Opposition to such "liberalization" in China has nothing to do with the capitalist system in foreign countries. And it is not in the least designed to stop economic and technical exchanges with the Western countries or to keep foreign capitalists from investing in China.

General Secretary Jiang Zemin of the Central Committee of the Chinese Communist Party reiterated, in his speech delivered at a meeting to celebrate the 40th anniversary of the People's Republic of China, that in China, "the four cardinal principles are the foundation of our state, and the reform and opening up to the outside world are the road to its strength and prosperity" (BEIJING REVIEW, issue No. 41, 1989, p. 15).

China extends a sincere welcome to foreign business people who come for investment and other forms of business, for co-operation and exchange on the basis of equality and mutual benefit. Our effort to root out corruption and profiteering by government functionaries, to eliminate tax evasion and to establish a fair and equitable market order can only help improve the investment environment for foreign businesses. We are also wiping out pornography, drug trafficking and prostitution—vices which are also despised by the general public in the capitalist world.

Fourth, the struggle against bourgeois liberalization is sometimes mistaken for "suppression of democracy."



We always maintain that there are two types of freedom and democracy. One is bourgeois freedom and democracy which belongs to small minority of people. The other is socialist freedom and democracy for the vast majority. What we need is the latter, not the former. In present-day China, the people already enjoy extensive rights to freedom and democracy that are free from control by capital, and we are working to expand such freedom and democracy still further. By opposing bourgeois liberalization, we are safeguarding the people's rights to freedom and democracy. We are keenly aware of the importance of democracy. As Deng Xiaoping says, "without democracy there can be no socialism and no socialist modernization" ("Uphold the Four Cardinal Principles," *Selected Works of Deng Xiaoping*, p. 176). The continuous expansion of the scope of democracy is a salient feature of the reform of the political system in China.

Fifth, some people are afraid that opposition to bourgeois liberalization will give intellectuals a hard time.

This fear seems to take it for granted that the intellectuals in China are for "liberalization." If this were true one could hardly explain China's enormous successes in socialist revolution and construction, especially during the decade that has just passed. Such achievements would have been impossible without the support and participation of the intellectuals.

In fact, only a tiny number of intellectuals advocate bourgeois liberalization, while the vast majority are for socialism and reject the capitalist road. Together with the workers and farmers, China's intellectuals have long been a basic force counted on by the party and the government. Since the third plenary session of the 11th party Central Committee held towards the end of 1978, the party and government have attached greater importance than ever before to the role of intellectuals. As General Secretary Jiang Zemin put it, "without knowledge and intellectuals, it would be impossible to build socialism" ("Speech at the Meeting in Celebration of the 40th Anniversary of the Founding of the People's Republic of China," September 29, 1989, *BEIJING REVIEW*, issue No. 41, 1989, p. 15).

The party and the government have resolutely carried out the principle of "respecting knowledge and respecting talents" and thus won the support of the great majority of the intellectuals. This was one of the reasons why the anti-government rebellion last year was put down so quickly and the situation returned to normal so soon.

Sixth, there are also people who think that the struggle against "liberalization" contradicts the policy of one country, two systems.

It is China's unswerving policy to realize the reunification of Taiwan, Hong Kong and Macao with the mainland in accordance with the concept of one country, two systems. To combat "liberalization" means to oppose the rejection of the socialist system and the adoption of a capitalist system on the mainland; it is not at all directed against the capitalist

system practised in Taiwan, Hong Kong and Macao. Chinese leaders have repeatedly stated that they will not export socialism from the mainland to Taiwan, Hong Kong or Macao. But they have also asked people in these regions to refrain from any attempt to change the socialist system on the mainland.

During a recent meeting with journalists from Hong Kong, party General Secretary Jiang again stressed that after 1997, interior China and Hong Kong will follow the policy of one country, two systems. "You practice your capitalism, and we maintain our socialism," he told his guests, "so that, as the saying goes, 'the well water does not interfere with the river water and vice versa—none may encroach upon the precincts of the other.'"

These words are a clear indication that opposition to "liberalization" on the Chinese mainland has nothing to do with the policy of "one country, two systems" towards Hong Kong and Macao. Socialism for the mainland, capitalism for Hong Kong and Macao—this is precisely the true sense of this policy.

#### Long-Term Struggle

China's struggle against bourgeois liberalization has an important bearing on the future and destiny of the Chinese nation and the People's Republic of China, on whether we can preserve the fruits of revolution for which so many martyrs shed their blood and laid down their lives and on whether the socialist cause pioneered by the proletarian revolutionaries of the older generation can be carried through to the end. Let no one have the illusion that China will make any concession on so great an issue.

However, the struggle against "liberalization" is bound to be a protracted one. As Deng Xiaoping has said, "this struggle will run through the entire process of modernization. It will be carried on during this century and will continue into the next century. Because the struggle will be so protracted, we will not launch any campaign but will devote our major efforts to education. Hence the process is not only one of struggle but also one of persuasion—but we cannot finally convince those who do not believe in socialism until we have built up the country" ("Educating Our Young People in Chinese History," February 18, 1987).

When China has steadily achieved the strategic goal for her development, when her socialist system has almost been brought to perfection through reform, when this system has fully displayed its superiority over capitalism—that will be the time when there is hardly any market for the ideas of bourgeois liberalization, which cannot but wither away.

**Further Reaction to CPC Multiparty Document****Trade Unions, CYL, Women's Body**

*OW0902214390 Beijing XINHUA in English  
1534 GMT 9 Feb 90*

[Text] Beijing, February 9 (XINHUA)—The Secretariats of the All-China Federation of Trade Unions and the Central Committee of the Chinese Communist Youth League and the All-China Women's Federation have studied and made arrangements to implement the recent circular of the Central Committee of the Communist Party of China (CPC) on strengthening leadership over them.

The Secretariat of the All-China Federation of Trade Unions said the CPC circular is a programmatic document to guide the work of the trade unions. It reflects that the new leading body of the CPC Central Committee headed by Jiang Zemin has attached great importance to the working class and trade unions. Fully implementing the document will surely promote development of the trade unions' work.

Under the CPC leadership, trade unions will correctly play their role and make workers unite around the CPC, work hard, overcome difficulties to consolidate political stability and unity, and the great achievements of construction and reform.

The Secretariat of the Central Committee of the Chinese Communist Youth League has organized members and alternate members of the league Central Committee and secretaries of the league committees of 80 big enterprises to study the CPC circular and issued opinions calling on all the league members to study the CPC circular.

Song Defu, first secretary of the Central Committee of the Chinese Communist Youth League, said that by implementing the CPC document, the Youth League will take on a new look in ideology, organization and style and make new contributions to straightening out the economic order, deepening the reform and maintaining social stability. The Youth League organizations in Jilin, Gansu, Yunnan, Liaoning, Hebei, Jiangxi, Guangdong and Fujian Provinces; Beijing, Tianjin cities; and other areas have also made arrangements to implement the CPC Central Committee document.

The All-China Women's Federation held a meeting of its Standing Committee to study and discuss the CPC circular here today. Chen Muhua, chairman of the All-China Women's Federation, said that the CPC circular has clarified some issues that the officials of women's federations have urgently demanded be solved and the women's federations at all levels should implement the document in their work.

She said that the women's federations, as bridges and ties between the party and the broad mass of women, should mobilize and unite with the hundreds of millions of women to work hard and make contributions to maintaining the stability of the state and society, to economic

development, to strengthening the building of socialist culture and morals and to protecting women's interests.

**CPPCC Committee**

*OW1202135490 Beijing XINHUA Domestic Service  
in Chinese 0958 GMT 12 Feb 90*

[By RENMIN RIBAO reporter Li Dequan (2621 1795 0356) and XINHUA reporter Sun Yong (1327 0516)]

[Text] Beijing, 12 Feb (XINHUA)—The Seventh National Committee of the Chinese People's Political Consultative Conference [CPPCC] held the fourth meeting of its Standing Committee in the auditorium of the CPPCC National Committee building this morning. The meeting discussed "Opinions of the CPC Central Committee on Persisting in and Improving the System of Multiparty Cooperation and Political Consultation Under CPC Leadership."

Wang Renzhong, vice chairman of the CPPCC National Committee, said in his speech: The party Central Committee's document will have a great, positive impact on China's political line and economic life, on the patriotic united front, and on the work of the CPPCC. CPPCC organizations at all levels should work hard to implement the document. He discussed four points in his speech: The party Central Committee's document shows new progress in China's socialist democracy; the CPPCC shoulders an important responsibility for implementing the "Opinions;" the CPPCC should pay more attention to studying the document; and all Communist Party members in the CPPCC should be models in implementing the party's united front policy.

At today's meeting, the members of the Standing Committee of the CPPCC National Committee spoke freely on how to further strengthen the CPPCC's functions in political consultation and democratic supervision, and how to implement the policy of long-term coexistence and mutual supervision, and treating each other with sincerity and sharing weal and woe.

Zhao Puchu, vice chairman of the CPPCC National Committee, said: Since the First CPPCC National Committee met in 1949, representatives from the religious circles have taken part in political consultation. In the early years of the People's Republic, Premier Zhou had many confidential exchanges of views with religious figures. These facts show that the party Central Committee has attached importance to religious work from the very beginning. This document of the CPC Central Committee and its relevant stipulations are also applicable to the relations between the party and religious figures. The document should be implemented in the religious affairs of party and government departments. Before the departments concerned under the party Central Committee and the State Council make any policy decisions concerning religious issues, they should consult the religious circles and solicit the latter's opinions. The

religious circles should comprehensively understand the guidelines of the document in order to fully play their role.

Wan Guoquan, member of the Standing Committee of the CPPCC National Committee, said: I took part in drafting this document of the CPC Central Committee, and should say that it has absorbed the opinions of democratic parties. Mutual supervision is the core of the CPC Central Committee's policy towards democratic parties—the policy of long-term coexistence and mutual supervision, and of treating each other with sincerity and sharing weal and woe. Democratic parties need the CPC's supervision, and the CPC needs supervision by democratic parties. The purpose of supervision is better cooperation. Better supervision leads to better cooperation. The CPPCC National Committee should take some measures to do more work in this regard.

Song Ruyao, member of the Standing Committee of the CPPCC National Committee, pointed out: The "Opinions" of the CPC Central Committee are very important for lasting law and order in our country. Since its promulgation, the responsibility of democratic parties has become heavier than before. From now on, democratic parties should play an even more positive role in participating in government and political affairs.

Sun Xiaocun, vice chairman of the CPPCC National Committee, recalled the history of close cooperation between the CPC and democratic parties in winning victories in both socialist revolution and socialist construction before and after the founding of the People's Republic. He said: From now on, we should teach the younger generation the history, so that they will understand that political consultation is a special form of cooperation between the CPC and democratic parties, as well as a political system with Chinese characteristics. He suggested that the CPPCC organizations should, by conducting investigations and studies and holding discussions on special topics, make even greater contributions to the task of improving the economic environment and rectifying the economic order and the task of reform and opening to the outside world from now on.

Hou Jingru, vice chairman of the CPPCC National Committee, emphasized that the political consultation and democratic supervision of the CPPCC should become more regular and institutionalized. The more active the CPPCC becomes, the better democracy is displayed.

Su Ziheng, member of the Standing Committee of the CPPCC National Committee, said: In order to implement this document of the CPC Central Committee, the CPPCC should give even better play to its own superiority, develop friendly relations between China and other countries, play its role as a special committee, do a good job in conducting investigations and studies on special topics, and perform its functions of political consultation and democratic supervision.

Fang Yi, vice chairman of the CPPCC National Committee, presided over today's meeting. Other participants in the meeting included vice chairmen of the CPPCC National Committee Gu Mu, Qu Wu, and Cheng Siyuan, and acting Secretary General Song Demin.

### Peasants, Workers Party

OW0902234190 Beijing XINHUA in English  
0631 GMT 9 Feb 90

[Text] Beijing, February 9 (XINHUA)—Lu Jiaxi, chairman of the Central Committee of the Chinese Peasants and Workers Democratic Party, said here today that his party sincerely supports the document on persisting in and improving the system of multiparty cooperation and political consultation under the leadership of the Chinese Communist Party (CPC) issued by the CPC Central Committee.

Lu said that his party will work for the implementation of the document.

It is another important document which has summed up China's successful experience and fine traditions over the past four decades, combining Marxism-Leninism with China's practice, he said.

He said that the Chinese Peasants and Workers Democratic Party and other democratic parties have come to accept the CPC leadership in the long-term practice of revolution and construction.

Such new socialist relations among political parties are fundamentally different from the multiparty system in capitalist countries, he said. The relations between the CPC and the democratic parties are that between friendly parties which maintain close ties and share common political objectives and basic interests, and that between the party in power and parties participating in the exercise of political power.

He said, "We'll never be an opposition party."

Lu said that the democratic parties' participation in and discussion of political and government affairs and their democratic supervision constitute a major channel to reflect people's opinions, implement policies and serve as a bridge between the higher authorities and lower level.

This is a major way to develop socialist democracy in line with China's conditions, he said.

Lu said that he is convinced that the document will play an important role in promoting China's political restructuring, bringing every positive factor into play, uniting with all people who can be united and in consolidating and developing the patriotic united front.

Lu said his party will make concerted efforts with the Communist Party to make the country prosper.



**Public Interest Party**

*OW1002002690 Beijing XINHUA in English  
0652 GMT 9 Feb 90*

[“Yang Says Party for Public Interest Needs CPC Leadership”—XINHUA headline]

[Text] Beijing, February 9 (XINHUA)—Experience over the past decades shows that only by accepting the leadership of the Chinese Communist Party (CPC) can the China Zhi Gong Dang (Party for Public Interest) play its due role as a democratic party participating in the exercise of political power, Yang Jike, vice-chairman of the Zhi Gong Dang, said here today.

Otherwise, Yang said, his party can accomplish nothing.

Yang said that whatever may happen in the future, his party will, as always, abide by the four cardinal principles, accept the CPC leadership and, along with other democratic parties and persons with no party affiliation, work to strengthen co-operation and consultation with the CPC on major state policies and principles.

He said the CPC Central Committee document on persisting in and improving the system of multiparty co-operation and political consultation under the CPC leadership has set common guidelines in co-operation for the CPC and the democratic parties and formulated concrete principles and policies.

All members of the China Zhi Gong Dang endorse the document, he said, and pledge to abide by it together with the CPC.

The China Zhi Gong Dang is composed of returned Overseas Chinese, relatives of Overseas Chinese and noted public figures and scholars who have overseas ties.

Yang said it is a party of political alliance devoted to the building of socialism with Chinese characteristics. “We will, as always, uphold patriotism and socialism and work to promote the unification and invigoration of China,” Yang said.

**Democracy Association**

*OW1002002990 Beijing XINHUA in English  
0716 GMT 9 Feb 90*

[Lei Jieqiong Support Communist Party Party Document”—XINHUA headline]

[Text] Beijing, February 9 (XINHUA)—Lei Jieqiong, chairwoman of the Central Committee of the China Association for Promoting Democracy (CAFPD), today said her party fully supports the document on persisting in and improving the multiparty cooperation system under the leadership of the Communist Party of China (CPC), which was made public Wednesday.

She urged all CAFPD members to take the document as their code for future conduct.

Lei said her party had cooperated with the CPC for a long time and developed a tradition of accepting the leadership of the CPC.

The CPC leadership is the premise of multiparty cooperation, and in return multiparty cooperation is an important factor in strengthening and perfecting the CPC leadership, Lei said, adding such cooperation will adhere to the four cardinal principles—adherence to leadership of the CPC, to the people's democratic dictatorship, to the socialist road and to Marxism-Leninism and Mao Zedong Thought.

The document, she said, further defines the position and functions of the democratic parties in Chinese political life, and this will stimulate all democratic parties to better play their role in participating in and discussing political and government affairs, in political consultation and democratic supervision.

The democratic parties should be of one heart and one mind with the CPC and the broad masses of people, surmount all difficulties on the way forward and contribute to China's socialist modernization drive, Lei said.

**Jiusan Society**

*OW1002003590 Beijing XINHUA in English  
0817 GMT 9 Feb 90*

[“Jiusan Society Chairman: CPC Document Embodies Spirit of MultiParty Cooperation”—XINHUA headline]

[Text] Beijing, February 9 (XINHUA)—The document of the Chinese Communist Party (CPC) Central Committee on persisting in and improving multiparty cooperation under the CPC leadership “is an embodiment of the spirit of multiparty cooperation,” said Zhou Peiyuan, chairman of the Central Committee of the Jiusan Society, here today.

The Jiusan Society is one of the eight democratic parties in China.

Zhou recalled that in the entire process of drafting the document, the democratic parties had offered opinions ranging from basic principles to concrete measures, and many of these were incorporated into the document.

He said the document explains the role of the CPC-led multiparty cooperation system in China's political life and sums up the experience in the close cooperation between the CPC and the democratic parties over the past four decade or so.

The document makes an important theoretical exposition of the political party system with Chinese characteristics, and puts forth a number of practical measures to improve it, noted Zhou Peiyuan, himself a noted physicist.

He pointed out that the document is a programmatic one, guiding the development of the system of multiparty cooperation and political consultation in China.

He said all members of his party will study this document, actively participate in and discuss political and government affairs, carry out supervision, and make greater contributions in maintaining the country's political stability and unity and promoting the reform and opening.

### Rong Yiren

OW1002031790 Beijing XINHUA in English  
0234 GMT 10 Feb 90

[Text] Beijing, February 10 (XINHUA)—Strengthening multiparty cooperation and political consultation under the leadership of the Communist Party of China (CPC) is of great significance to the country's social, political and economic stability and development, said Rong Yiren, president of the All-China Federation of Industry and Commerce, here today.

It is also an important part of developing socialist democracy and deepening the political reform, he noted.

He said that the recently published CPC document on persisting in and improving the multiparty cooperation and political consultation system under the CPC leadership is the result of summarizing the experience in cooperation over the past few decades and a number of consultations in the past year.

He noted that the document embodies the integration of Marxist principles with Chinese reality. It is in accord with the conditions in China, is true to China's reality and will therefore be widely endorsed.

Rong, himself a leading entrepreneur, said that his federation, as a mass organization of a united front nature in industrial and commercial circles and as a non-governmental chamber of commerce, has from its very inception accepted the CPC leadership and actively served the socialist revolution and construction.

The federation will carry forward this tradition, abide by the four cardinal principles and take a still more active part in state and government affairs, political consultation and democratic supervision, the federation president stated.

He said that the federation will unite industrialists and businessmen and work hard to safeguard social stability and unity, and attain a sustained, stable and coordinated development of the national economy.

### Taiwan League

OW1002035790 Beijing XINHUA in English  
0216 GMT 10 Feb 90

[Text] Beijing, February 10 (XINHUA)—A democratic party leader here today hailed the document on persisting in and improving the system of multi-party cooperation under the leadership of the Chinese Communist Party (CPC), as systematizing the country's long practised political party system.

Cai Zimin, chairman of the Presidium of the Central Committee of the Taiwan Democratic Self-Government League, one of China's eight democratic parties, said that the document "is the guidelines we should follow."

Cai said practice over the past four decades proves that the system of multiparty cooperation and political consultation tallies with the situation in the country and has great vitality.

The purpose of insisting on and improving this system, he noted, is to develop socialist democracy and build socialism with Chinese characteristics.

"Since the situation in China is vastly different from that of Western countries, we can not practise multiparty politics and separation of powers," Cai insisted.

Cai Zimin said the document clarifies the relationship between the Chinese Communist Party and the democratic parties. The democratic parties should accept the leadership of the Chinese Communist Party, attend the people's congresses and the political consultative conference, participate in the consultation, decisionmaking and implementation of the country's major policies and exercise democratic supervision.

"All these define the ways and scope of the democratic parties in participating in and discussing state and government affairs and executing supervision," he stressed.

He said his league plans to strengthen its own building, develop its contact with Chinese compatriots in Taiwan, and contribute to China's stability and unity and the peaceful reunification of the country.

### CHINA DAILY Commentary

HK1002075090 Beijing CHINA DAILY in English  
10 Feb 90 p 4

[By CHINA DAILY commentator]

[Text] This week's publication of the Communist Party document on multiparty co-operation in exercising state power offers an insight into China's effort to build socialist democracy.

The People's Republic has taken a unique path in its political development. Democracy is meant to be the right shared by the largest possible majority of the people. State power is vested in the Communist Party, because the 47 million-strong group, dedicated to the struggle for the nation's brighter future, has best represented the people's interests and is the only political force capable of helping China to unite in an organized drive toward modernization. Other political parties and public figures without party affiliation also participate in decision-making.

This system of multiparty co-operation is different from both the one-party monopoly of state power the one-party monopoly of state power and the multiparty or bipartisan system in some other countries. Though a main characteristic of Chinese politics, this system was not invented just to

make China look different. It is deeply rooted in the nation's modern history, emerging half a century ago in the people's struggle for a new China.

On the eve of the revolution's nationwide victory in 1949, representatives from all groups that had fought together for a people's democracy with socialism as its future goal, gathered in Beijing for political consultation with the Communist Party. They jointly drafted the Common Programme, a blue-print of the new policy of the People's Republic.

### Experience

When Mao Zedong read the inaugural proclamation of New China at the mass rally in Beijing's Tiananmen Square, standing behind him were the leaders of all those groups, now usually referred to as China's democratic parties. Most of China's policies have been drawn up by the Communist Party through consultation with them.

The multiparty co-operation went through a rough period during the 1966-76 "cultural revolution." But this only showed that when its relations with the democratic parties were impaired, the Communist Party could not provide good national leadership, either. In the light of that experience, senior statesman Deng Xiaoping has persistently emphasized the significance of this co-operation since he began to guide the reforms in 1978.

With political consultation and the participation of democratic parties in the decisionmaking process from the central level down, the reforms have been making steady and tangible progress. This is in itself a major aspect of developing democracy.

The Chinese approach may not seem exciting or dramatic. But there is no reason for belittling what the Chinese people have achieved simply because it is unlike the political models in other societies. China is a country so vast and diverse that some Western scholars wonder how it could possibly be effectively governed. In fact, it is the multiparty co-operation system under an effective Communist leadership that has enabled the accommodation of a wide spectrum of opinions to ensure political stability and economic prosperity.

Not only a reaffirmation, the document on multiparty co-operation is a comprehensive summary of the distance that China has covered in its pursuit of democracy and socialism with Chinese characteristics. As a leading political force with abundant experiences and a wide vision, the CPC must be fully aware of the importance of the support of the people and the value of opinions and proposals from various circles of the society.

It is hoped that the implementation of this document will yield new experience for the Communist Party and all democratic parties to work hand in hand for China's further development.

### Democratic Party Members Hold Leading Posts

OW1102233890 Beijing XINHUA in English  
1456 GMT 11 Feb 90

[Text] Beijing, February 11 (XINHUA)—Up to date, 14 non-communist party members have taken up leading posts at the provincial and ministerial levels, according to the United Front Work Department under the Central Committee of the Chinese Communist Party.

They are among 781 people, who are members of democratic parties or have no party affiliation, holding leading posts at the county and provincial (ministerial) levels. They are mainly specialists and scholars and most of them are quite competent.

The 14 senior officials serve respectively as vice-ministers in three ministries under the State Council, China's highest governing body, and vice-governors, vice-chairmen and vice-mayors in 11 provinces, autonomous regions and municipalities.

### Major Foreign Ministry Reshuffle Expected

HK1002012590 Hong Kong SOUTH CHINA  
MORNING POST in English 10 Feb 90 p 8

[By David Chen]

[Text] A major reshuffle in the Chinese Foreign Ministry is believed to be under way following the departure of several senior vice-ministers over the past few weeks.

Those who have left include Mr Zhu Qizhen, now ambassador to Washington; Mr Liu Shuqing, who has retired to take up the post of leader of the State Council's Foreign Affairs Working Group; and Mr Zhou Nan, who arrived in Hong Kong on Monday as head of the local branch of the New China News Agency.

It is understood several junior officers, of the ranks of assistant ministers or departmental directors, will be promoted to take the posts left by them.

According to Chinese sources, Mr Liu Huaqiu, an assistant minister looking after American affairs, has succeeded Mr Zhu, while Mr Xu Dunxin, director of the Asian Affairs Department has taken over the duties of Mr Liu Shuqing.

Mr Qi Huaiyuan, who looks after African affairs, may have taken over the duties left by Mr Zhou—looking after West European affairs. And his earlier African portfolio may have been taken over either by Mr Yang Fuchang or Mr Zheng Yaowen, both departmental directors.

There has also been keen speculation among diplomatic circles in Beijing that the Foreign Minister, Mr Qian Qichen, a fluent Russian speaker and an expert on Soviet and East European affairs, may leave the ministry. He is



one of two deputies in the party's Foreign Affairs Sub-Group, which is headed by the Prime Minister, Mr Li Peng, with the Vice-Premier, Mr Wu Xueqian, as the other deputy.

Should Mr Qian leave the ministry, the strongest contender for the minister's post would be Mr Qi Huaiyuan, a career diplomat who joined the Foreign Ministry in the 1950s after studying at Qinhua University and a number of language institutes.

Following a spell in the Chinese Embassy in East Berlin, Mr Qi returned to Beijing. He was not heard of during the early stages of the Cultural Revolution and reappeared in public only in 1972 when he was assigned to the East European Affairs Department.

Two years later, he was again sent to East Berlin and after a three-year spell, he joined the Chinese embassy in Bonn, where he served for six years.

Returning to Beijing in 1983, he became director of the ministry's Information Department and a year later he was promoted to be a minister assistant. In 1986, he became a full vice-minister.

Analysts said while these changes are being effected in the ministry, the real policy formulation work rests with the Foreign Affairs Group in the State Council.

The group is now headed by the just retired vice-minister, Mr Liu Shuqing.

While his earlier career was involved in East European affairs having served in the Soviet Union and Poland, the coming issue of *Wide Angle* reported that Mr Liu, now 65, made his mark in recent years with his diplomatic manoeuvres to improve relations with India and Indonesia.

Within a year or so of his transfer to the Asian Department in 1982, he became something of an expert on Asian affairs and in 1984, he was promoted, together with Mr Zhou Nan and Mr Zhu Qichen, to be vice-ministers.

It was Mr Liu who worked diligently on resolving the many issues that finally paved the way for the resumption, expected this summer, of diplomatic ties with Jakarta.

### **Rong Yiren Mentioned as Possible Vice Premier**

HK1202013190 Hong Kong SOUTH CHINA  
MORNING POST in English 12 Feb 90 pp 1, 9

[By Willy Wo-lap Lam]

[Text] A senior non-communist politician is tipped to be appointed vice-premier of the Chinese State Council at the National People's Congress, due to be convened in late March.

Chinese and diplomatic sources in Beijing say that Mr Rong Yiren, chairman of the China International Trust and Investment Corporation (CITIC), will be promoted as vice-premier to underscore the Chinese Communist Party's (CCP) commitment to political reform.

Last Wednesday the party released a document on "The System of Multiparty Co-operation Under CCP Leadership" to tell domestic and world opinion that, while Moscow has endorsed multiparty politics, Beijing has not entirely frozen political change.

The document recommended elevating members of China's non-communist or "democratic" parties to senior government and judiciary positions.

Chinese analysts say that to be convincing, the CCP has to set aside a post of up to vice-premier level for non-CCP politicians.

Mr Rong, chairman of the All-China Federation of Industry and Commerce, is the country's most senior non-communist politician.

As chairman of CITIC, a conglomerate reporting directly to the State Council, Mr Rong already enjoys ministerial ranking. Moreover, Mr Rong is a vice-chairman of the National People's Congress.

Aside from his stature, Chinese sources say that Mr Rong has been picked because of his reputation of being a market-oriented reformist.

"Part of the reason behind the reshuffle of top government posts at the NPC is to bring in new faces not tainted with the Tiananmen Square crackdown who have relatively reformist inclinations," a Western diplomat said.

Aside from Mr Rong, Guangdong Governor, Mr Ye Xuanping has been tipped as a likely candidate for vice-premier.

A prominent capitalist in Shanghai before 1949, Mr Rong suffered intense humiliation during the Cultural Revolution.

However, in 1979, senior leader Mr Deng Xiaoping, a personal friend of Mr Rong, persuaded the "red capitalist" to return to public life and to found CITIC, China's largest state company "run on market-oriented methods".

During the pro-democracy demonstration last spring, Mr Rong had expressed guarded support for the liberal wing of the party led by ousted party chief Mr Zhao Ziyang.

However, analysts say his position has not been affected by the emergency of the post-June 4 hard-line leadership.

Early last October, when CITIC celebrated its 10th anniversary, Mr Rong was congratulated by Vice-President Mr Wang Zhen and foreign guests, including former U.S. secretary of state Mr Alexander Haig.

The only thing which may hamper the candidature of Mr Rong, 73, is his age.

However, Mr Rong is in robust health, and there are already several septuagenarians in the State Council and Politburo.

If promoted, Mr Rong is expected to concentrate on economic affairs. He is tipped to hang on to his CITIC chairmanship.

Chinese sources say that Mr Wang Guangying, another "red capitalist" and a vice-chairman of the Chinese People's Political Consultative Conference, is tipped to take over Mr Rong's position as NPC vice-chairman.

Yesterday the Chinese media quoted Mr Rong as saying that "strengthening the system of multi-party cooperation and political consultation under CCP leadership is of great significance to the country's social, political and economic stability and development".

### Campus Life Rules Issued for College Students

OW0902134790 Beijing XINHUA in English  
1315 GMT 9 Feb 90

[Text] Beijing, February 9 (XINHUA)—The State Education Commission issued regulations here today regarding the administration of the studies, life and on campus behavior of college students.

The regulations are divided into six parts, including the administration of student status, extracurricular activities, campus administration, awards and disciplines.

According to the regulations, those admitted into college can only obtain student status after they have proved to be qualified through re-examination given when they register at their colleges. School authorities are not allowed to issue any kind of diploma to those not on the school roll.

Students should fulfil all requirements of the teaching plan and take part in all activities required.

The regulations stipulate that excellent students can skip a grade or graduate ahead of schedule. Those with poor academic records should stay behind or leave school.

Qualified students can transfer to another school or change their majors.

College students are encouraged to take part in various extracurricular activities within the limits permitted by the Constitution, the law and school regulations. Illegal activities and publications are forbidden on campus.

The dissemination, duplication, watching and selling of reactionary and obscene books, periodicals, and audio and video tapes should be strictly prohibited.

According to the regulations, students may hold parades or demonstrations as provided by law, but school authorities have the right to dissuade students from holding activities which are not approved.

Posters are forbidden on campus and no organizations or individuals are allowed to conduct religious activities on campus.

The regulations encourage work-study programs, but prohibit students from engaging in business.

The regulations also forbid excessive drinking, gambling scuffling and brawling.

### Security Official on 'Rather Serious' Problems

OW0902135890 Beijing Domestic Service in Mandarin  
1030 GMT 9 Feb 90

[From the "National Hookup" program]

[Text] Reporting to deputies to the Seventh National People's Congress this morning, Public Security Vice Minister Yu Lei said: Generally speaking, the current overall situation in public order throughout China is basically stable, with rather serious problems remaining. Yu Lei added: Overall stability is mainly manifested in: 1) political stability; 2) firm socialist economic foundations; and 3) considerable stability in public order. These are the main trends of public order in present-day society. When we say the current situation is rather grim, we mean that public order in some localities is in considerable disarray and that certain types of crimes are serious. The main problems are an increase in the number of counterrevolutionary cases; an escalation of counterrevolutionary sabotage; a spate of criminal offenses, particularly grave criminal offenses; and the growth of socially destabilizing factors.

He stressed: Faced with the grim situation in public order, public security agencies cannot even slightly relax their work. Yu Lei continued: More than 1.11 million criminal cases were solved in 1988-89, and the rate of solving crimes rose by 77.4 percent over the preceding years. All localities generally strengthened public security management and beefed up mechanisms to prevent crime in society and to monitor public security. Public security agencies at all levels made all-out efforts to promote honesty, and cracked down hard on all kinds of illegal acts and discipline violations. This cemented the ties between the police and the people.

On the fight against the six social vices, Yu Lei stated: Incomplete statistics show that as of 15 January, more than 213,000 cases involving the six social vices had been solved throughout China, and more than 770,000 people had been investigated and dealt with. The concerted action to wipe out the six social vices elicited an enthusiastic response from society and the ardent support of the populace. This created an extremely favorable impact on society.

Yu Lei said: In the future, public security agencies should include in their day-to-day work the effort to eliminate the six social vices, and should integrate the effort with the work to combat crime and the management of public order. They should relentlessly tackle this important task, which has a bearing on the nation's future and on the healthy growth of the youth.

Yu Lei continued: The central task of this year's public security work is to further implement the guidelines of the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee, with the aim of stabilizing the overall situation and creating a stable social environment for reorganizing the economy and intensifying reforms.

Yu Lei also heard opinions voiced by the deputies on public security work, and answered their questions.

### Li Ruihuan Makes Fujian Inspection Tour

OW1002201390 Beijing XINHUA Domestic Service  
in Chinese 1406 GMT 10 Feb 90

[By XINHUA reporter Cai Gui (5591 3802) and FUJIAN RIBAO reporter Chen Binglin (7115 3521 3829)]

[Text] Fuzhou, 10 Feb (XINHUA)—The "anti-pornography" work and the task to "eliminate the six vices" should be grasped constantly and unremittingly, and the effort to build the spiritual civilization should be beefed up energetically, stressed Li Ruihuan, member of the the Political Bureau Standing Committee and the Secretariat of the CPC Central Committee, when making an inspection tour in Fujian.

Accompanied by Chen Guangyi, secretary of the Fujian Provincial CPC Committee, Li Ruihuan inspected Xiamen, Shishi, Quanzhou, Sanming, and Fuzhou from 2 to 9 February. He listened to the opinions expressed by local grassroots cadres and masses and made speeches to them.

In Shishi City, Comrade Li Ruihuan toured streets and factories and was briefed by the city party committee on "anti-pornography" work and the effort to "eliminate the six vices" in the city. He said: "Anti-pornography" work has now achieved great results. The once-serious situation of rampant "pornographic poison" has been corrected to a remarkable extent. Particularly since the campaign to "eliminate the six vices" was started at the end of last year, "anti-pornography" work has been carried out in close conjunction with this campaign, playing a significant role in dealing a blow to unhealthy trends in society, in purifying our social environment, and in bringing about a turn for the better in our social order.

However, he added: As far as the whole country is concerned, the development of "anti-pornography" work is not so even. In some localities, there are still "untouched spots." Some people "selling and making pornographic items" have not given up their efforts because of the profit they can make from them. When the situation is tense, these people will go underground; when an opportunity arises, they will come out and take chances again. Moreover, hostile forces outside of our country take "pornography, gambling, and drugs" as tools to benumb and corrode the morale of our people. The current gigantic "anti-pornography" campaign is a

heavy blow to them, but they would not give up their efforts. With the deepening of our reform and opening-up drive and ever-expanding contacts with the outside, "pornographic poison" will continue to sneak into our country. For this reason, we should view "anti-pornography" work as a long-term task, and in no way should we relax our efforts at this work in the slightest.

Li Ruihuan said: "Pornographic poison" provides a favorable condition for the growth of the "six vices," which, if allowed to spread unchecked, will add to the rampancy of "pornographic poison." "Anti-pornography" work and the effort to "eliminate the six vices" must be closely combined. In "anti-pornography" work and the effort to "eliminate the six vices," he said, it is imperative to strictly carry out the policies and, at the same time, strive to develop literature and art so that literary and art works that are healthy, good for the people, and liked by the masses will dominate ideological and cultural fronts.

After inspecting the work of building spiritual civilization in Sanming, Li Ruihuan said: Building spiritual civilization is a major integral part of and the fundamental guarantee for the work of building socialism with Chinese characteristics. The basic task of building socialism with Chinese characteristics may be boiled down to building material and spiritual civilizations, and the latter is precisely an important salient feature of socialism with Chinese characteristics. For this reason, all-out efforts should be devoted to building spiritual civilization to make it a real success.

Li Ruihuan said: To build a socialist spiritual civilization is to build a spiritual civilization adhering to the four cardinal principles. It is to build a spiritual civilization under the leadership of the Communist Party and guided by Marxism. Its fundamental task is to meet the needs of socialist modernization, to train people "with four things," namely ideals, morality, education, and a sense of discipline, and to raise the ideological and ethical quality, and the science and culture of the whole Chinese nation. The essence of building spiritual civilization, including improvement in the ideological and ethical fields and the development of education, science, and culture, permeates the entire process of building material civilization and finds expression in the economy, politics, culture, and all other aspects of social life. He said: A striking expression of bourgeois liberalization is the vilification and objection against building socialist spiritual civilization. Examples of this are to pay attention only to material civilization but ignore spiritual civilization; to put stress on the role of money but to overlook the role of the spiritual force; and to negate ideological and political work, the role of humans, and especially the party's leadership and the socialist system. Now, we are going all out to advocate and work for socialist spiritual civilization. This is precisely a realistic step to oppose bourgeois liberalization. A lot of facts have proved that wherever attention is paid to building the two civilizations simultaneously, the situation is relatively stable, the economy develops rather



fast, and the people have a fairly good spiritual outlook. In view of this, great efforts must be made to strengthen the building of spiritual civilization.

In Fuzhou, after being briefed by Comrade Chen Guangyi on the work of the provincial party committee, Comrade Li Ruihuan said: Through 10 years of reform and opening to the outside world, Fujian has undergone drastic changes. Production and construction have achieved a great development. The people's living standard has improved remarkably. There has been a conspicuous change in the environment. The quality of the people has been raised to a considerable extent. Particularly important is the fact that these achievements have created very favorable conditions for further progress in the future. The most fundamental reason for these changes is that the provincial party committee has resolutely implemented the line, principles, and policies formulated since the Third Plenary Session of the 11th CPC Central Committee, upheld the four cardinal principles, and persisted in conducting reform and opening to the outside world. Without conducting reform and opening to the outside world, Fujian would not be what it is today. He said: The trend of reform and opening to the outside world cannot be reversed. Improvement of the economic environment and rectification of economic order proposed by the central authorities is aimed at achieving still greater success in conducting reform and opening to the outside world. Some of the improvement and rectification measures are themselves measures for reform. To Fujian, reform and opening to the outside world is of particular importance. He urged cadres working in various organs to change their workstyle; go deep into the grassroots, reality, and masses; heed people's opinions; do substantive work; and carry out propaganda to do still better in conducting reform and opening to the outside world.

#### **Wang Zhen Meets Japanese Businessmen in Zhuhai**

HK1202061990 Guangzhou Guangdong Provincial Service  
in Mandarin 0400 GMT 11 Feb 90

[Text] When meeting with a delegation of the Japanese Canon Company in Zhuhai on the afternoon of 10 February, Vice-President Wang Zhen once again emphatically pointed out: China's reform and opening up policy will not change. The Special Economic Zones should all the more carry out reforms and open up to the outside world and mend their pace in this respect.

The Japanese delegation is making a survey of the situation in Zhuhai at the invitation of the Zhuhai City People's Government.

At the meeting with Japanese friends, Comrade Wang Zhen expressed his appreciation of the friendly cooperation of the Japanese Canon Company, which came to China to run factories in spite of the economic sanctions imposed by some Western nations against China after

the 4 June Incident. He also hoped that the Japanese friends would enjoy a more wide-ranging cooperation with China.

The Japanese friends highly praised the investment climate in Zhuhai and reached a preliminary agreement with the relevant departments on running factories.

#### **Politburo Members Urged To Visit Grass Roots**

HK1202032390 Hong Kong TA KUNG PAO  
in Chinese 12 Feb 90 p 1

[Report: "The Central Authorities Take Measures to Maintain Stability; Members of Political Bureau Standing Committee and Premier Should Take Lead in Going to Grass-roots Levels to Solicit Opinions"]

[Text] According to a report carried in today's CHINGJI TAOPAO, the CPC Central Committee and the State Council have recently made a decision, urging Political Bureau standing committee members and the premier to take the lead in going to grass-roots levels to solicit opinions and mobilize the forces of all fields to maintain the situation of stability and unity.

The report said that the cadres going to the grass-roots levels had the following three major tasks: First, listen to the opinions, proposals, and criticism of the masses and give answers to their difficult questions and matters of mass concern; second, consult the cadres and masses at the basic levels and offer ideas and methods to resolve the practical difficulties in production, work, and life; and third, carry out propaganda and education work and mobilize the forces of all fields to maintain the situation of stability and unity and fulfill this year's tasks. The cadres should go to the large and medium size enterprises and rural areas to conduct investigations and studies, resolve problems, and promote the development of industrial and agricultural production. Leading cadres at all levels, including members and standing committee members of the CPC Central Committee's Political Bureau; premier, vice premiers, and state councillors of the State Council; and chiefs of the party and government organs at the provincial, prefectural, and county levels are required to set an example in going to the grass-roots levels. They should go to the places where problems are piled up and where there are arduous difficulties, work in a down-to-earth manner, and earnestly solve the problems rather than do work superficially. Cadres of party and government organs going to grass-roots levels should become a rule. The performance and work capacity of cadres at the basic levels will be an important basis for assessing and appointing them in the future.

#### **Discipline Inspection Meeting Concludes**

OW1002153490 Beijing XINHUA Domestic Service  
in Chinese 1120 GMT 10 Feb 90

[By reporters Liu Siyang (0491 1835 2254) and He Ping (0149 1624)]

[Text] The second meeting on discipline inspection work for central government organs, which concluded today in Beijing, pointed out that the major tasks for doing discipline inspection work among central government organs in 1990 are as follows:

- Further study and implement the guidelines laid down by the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee, safeguard the party's centralization and unity, and use strict discipline to ensure the smooth development of the principle in improving the economic environment, rectifying economic order, and deepening reform;
- Broaden education to strengthen the sense of discipline in the party;
- Strictly handle the cases that violate party discipline, and resolutely punish those involved in corruption;
- Pay full attention to party style, keep the government honest and clean, and make contributions to maintaining the advanced nature and the purity of the party.

The meeting pointed out: We must correctly understand the current situation in the development of party style and discipline, and fully realize the importance and urgency in improving party style and discipline. Right now, particular efforts must be made to strictly enforce the party's discipline in the political field; firmly oppose bourgeois liberalization, decentralism and departmentalism; and struggle against those who run counter to the four cardinal principles, undermine the party's centralization and unity, hamper efforts in improving the economic environment and rectifying economic order, and disrupt economic order. We must uphold the system of democratic centralism, develop the overall situation of stability and unity, ensure the smooth implementation of the policies of the party Central Committee and the State Council, and maintain unity with the party Central Committee ideologically and politically and in action.

The meeting pointed out: Right now, central government organs must tackle cases involving the use of power for personal advantage and extravagance and waste. Meanwhile, they must strictly enforce discipline in the political realm. It is necessary to tackle those problems with which the masses concern themselves the most and complain about the most in one's own department and unit. It is essential to have a definite object in view, and mobilize the masses to score some achievements.

The meeting emphatically pointed out: In handling and investigating cases involving the violation of party discipline, we must pay full attention to handling major and important cases, and overcome difficulties in investigating and handling cases. We must uphold the principle, dare to struggle, and determined to carry out a thorough investigation no matter who is involved, how difficult the case is, or who is interceding or interfering in the investigation of the case even to the extent of retaliating for the offender.

Qu Shouqin, secretary of the Discipline Inspection Work Committee of Central Government Organs, made a

summary report at the end of the meeting. He said: Right now, the various departments under the central government organs are organizing leading cadres to visit basic-level units. Discipline inspection committees at all levels must actively coordinate with such work, impose strict demands on party cadres, particularly leading cadres, who go to the basic-level units so that cadres will be able to show the masses and the basic-level units their strict discipline and solid style of work, and perform some actual deeds.

## Economic & Agricultural

### Further on Special Economic Zone Conference

Li Peng, Tian Jiyun Speak

OW0902184090 Beijing XINHUA Domestic Service  
in Chinese 1319 GMT 9 Feb 90

["Local Broadcast News Service"]

[Text] Shenzhen, 9 Feb (XINHUA)—Premier Li Peng emphatically pointed out during the conference on the work of special economic zones which closed on 8 February: To set up special economic zones and further open the coastal regions is an important arrangement for China's reform and opening to the outside world. He said: After 10 years of development and construction, the special economic zones have laid a certain foundation for an export-oriented economy and have begun to open up new prospects. The orientation is correct and the achievements are remarkable. In addition, we have gradually gained valuable experience in developing the special economic zones. He urged the departments concerned to run the special economic zones in an even better way after summing up the experience in the course of improving the economic environment and rectifying economic order.

The conference on the work of special economic zones was held in Shenzhen from 5 February to 8 February by the State Council. Its main topic for discussion was how the special economic zones should implement thoroughly the guidelines of the Fifth Plenary Session of the 13th CPC Central Committee, seriously do a good job in improving the economic environment, rectifying economic order, and deepening reform, further develop an export-oriented economy, fully play a showcase and production base role in the course of opening to the outside world, and make greater contributions to China's economic development.

Vice Premier Tian Jiyun presided over the conference. In his speech, Tian Jiyun emphatically pointed out: After several years of efforts, the special economic zones have strengthened their economies and laid a foundation for developing export-oriented economy. We should use this important practical experience to make the cadres and the masses identify their thinking with the guidelines of the Fifth Plenary Session of the 13th CPC Central

Committee, and seek stability, improvement, and development in the course of improving the economic environment, rectifying economic order, and deepening reform. He said: We should give play to the economic strength of the special economic zones and to their advantage of being in the front of the open regions, step up the readjustment of the industrial structure, actively promote scientific and technological progress, make great efforts to open up the export market, strive to improve economic efficiency, and further develop the export-oriented economy. He said: We should keep the special economic zones "special," support them in actively developing an export-oriented economy, and further improve the relevant policies and measures according to actual needs.

#### Further on Li's Speech

HK0902151890 Beijing XINHUA Domestic Service in Chinese 1124 GMT 9 Feb 90

[Report by Xu Yaozhong (1776 5069 0022) and Zou Aiguo (6760 1947 0948): "Li Peng Says at National Conference on Work of Special Economic Zones That It Is Necessary To Do a Better Job in Running Special Economic Zones in the Course of Economic Improvement and Rectification"—XINHUA headline]

[Text] Shenzhen, 9 Feb (XINHUA)—At the national conference on work of special economic zones, which concluded on 8 February, State Council Premier Li Peng said that we cannot achieve socialist modernization behind closed doors. We must continue pursuing and deepening the basic policy of reform and opening up to the outside world. Setting up special economic zones and further opening the coastal regions to the outside world is an important step of reform and opening. In the course of economic improvement and rectification and deepening the reform, the special economic zones and coastal regions should do a better job in bringing their strong points into play, enthusiastically take part in international economic cooperation, and further give better play of the zones as windows and bases for China's opening.

Li Peng added that the general requirements for economic work this year are: Strengthening economic improvement and rectification, and deepening the reform so that the national economy will develop in a sustained, stable, and coordinated way. Last year we achieved initial results in improving the economic environment, rectifying the economic order, and deepening the reform. The difficulties we are getting into are temporary ones, and also ones cropping up in the course of advance. So long as we make concerted efforts, we will overcome these difficulties. For this purpose, the State Council has adopted a series of measures and has gradually scored achievements.

Comrade Li Peng said that, during the improvement and rectification period, we would like to see a slower national economic development rate except for the special economic zones, where, in consideration of their

practical situations, the economic development rate can be a little higher than the average national rate. Several years ago there were tremendous amounts of input into special economic zones and now is the time to reap their economic benefit. As long as products are marketable and enterprises can enjoy good economic returns, we will be able to advance into the international market and enjoy a faster development pace. In this way special economic zones will overcome the difficulties that have surfaced for the country in the improvement and rectification, and contribute more to promoting their economies.

Premier Li Peng pointed out that the direction of the development of special economic zones lies in further developing the export-oriented economy, which, he said, has exactly been the purpose of the party central authorities and the State Council in allowing special economic zones to pursue special economic policies and practice certain special economic management methods. At present the agricultural production of special economic zones has been steadily developing, the foreign investment they have attracted accounts for one-quarter of the national foreign investment, and close to one-tenth of the national foreign exports are by these special economic zones. All these have clearly showed that, after a decade of development and construction, a certain degree of foundation has been laid for the development of the export-oriented economy and a basic pattern has been established. The results have been obvious; and a set of valuable experiences for developing special economic zones has been gained, albeit slowly and gradually. Special economic zones have developed from scratch into something tangible, and from small into something big. In the beginning the zones were engaged in infrastructural construction, service and commercial business in order to create an environment for investment. This was followed by the development of industrial production, in which the zones focused on product export to strengthen their economic power. If special economic zones want to continue to develop, then they must not confine themselves to labor-intensive industries, but give play to their superiority and progress toward technology-intensive industry. They must maintain connections with the interior, and do a good job in cooperation and technological development, and thus enhance their foreign exchange earning power. The state supports the zones to develop export-oriented economies, and would like the zones, amid the improvement and rectification, to better improve their economies on the basis of the summing up of experiences.

Premier Li Peng said: We must practise the principle that integrates planned economy and market regulation in special economic zones as we do for the national economy. As special economic zones mainly develop the export-oriented economy, the scope of market regulation must be wider, more flexible regulatory modes must be adopted, and their functions must be fully brought into play. However, we must not neglect the guidance of plans and macroeconomic regulation and control. Planned



guidance and macroeconomic regulation and control are aimed precisely at guiding the development of the export-oriented economy.

Premier Li Peng said: Hong Kong is the neighbor of the Shenzhen Special Economic Zone. Stability and prosperity in Hong Kong plays an important role in the economic development of the mainland that must not be overlooked. Implementing the "one country, two systems" policy and maintaining Hong Kong as an international center of finance, trade, traffic and transport is beneficial to Hong Kong and to the mainland. Shenzhen and Hong Kong are mutually complementary and mutually profiting to each other just as the mainland and Hong Kong and Macao are mutually complementary and profiting.

Premier Li Peng said: "It is necessary for special economic zones to uphold the four cardinal principles and to vigorously strengthen the construction of the socialist spiritual civilization. While special economic zones are in contact with the outside, working hard to study foreign advanced technology and management experience and attracting foreign capital, they must remain sober-minded politically. We must strengthen party building and bring into play the role of the party as a fighting bastion. We must pay special attention to ideological and political work and to properly uphold honesty. We must crack down on all criminal activities, wipe out all decadent phenomena, and create a stable and fine social environment so that the people can live comfortably and happily, that foreign investors are free of worries, and that special economic zones will better demonstrate the new outlook of the socialist spiritual civilization.

#### **'Sidelights' Viewed**

HK1202071590 Hong Kong TA KUNG PAO  
in Chinese 12 Feb 90 p 2

["Newsletter" by Li Chih (2621 0037): "Sidelights on the National Conference on Special Economic Zones"]

[Text] Shenzhen, 11 Feb—The National Conference on Special Economic Zones closed in Shenzhen on 8 February. Its importance is just like the remark of Guangdong Governor Ye Xuanping "the work of special zones is reflecting China's policy of reform and opening up as a whole." Its importance can also be seen from Premier Li Peng's arrival and speech delivered at the conference and Vice Premier Tian Jiyun presiding over the conference from the very beginning. The conference proceeded in a lively atmosphere.

#### **Tian Jiyun Wants Practical Examples**

At the conference, the Shenzhen, Zhuhai, Shantou, Xiamen, and Hainan zones gave accounts of their work. Tian Jiyun and others added occasional remarks.

When the Shantou Special Zone was giving an account of the reorganization of companies, Tian Jiyun interposed a remark: "The general principles and operation of the

screening and reorganization work should be carried out in light of the opinions of the leading group of the State Council for screening and reorganizing companies. Because this work is rather complicated, it must be resolved, but we cannot act with undue haste." When the Shenzhen special zone was discussing the policy of the central authorities toward Shenzhen which "will remain basically unchanged and be constantly perfected," an interposed remark said that changes were effected in some stipulations.

Tian Jiyun asked: "Are there any practical examples?"

A discussion was evoked at the conference. Because the discussion was focused mainly on the specific problems between provinces and the special zones, no suitable examples were cited. Tian Jiyun encouraged the participants to cite practical examples as much as possible. He said: "The policy of the central authorities toward the special zones will remain unchanged and be further perfected. This is the resolution reached at the Fifth Plenary Session of the 13th CPC Central Committee. We do not practice double dealing because it does not conform to our procedures and the character of the communists."

#### **The "Private Talks" Outside the Conference**

The account given by various special zones was focused on the successes achieved since the establishment of the special zones and the 1986 special zone conference as well as the problems encountered in the course of development. The failure to divide the financial functions between the provinces and special zones was also involved.

Tian Jiyun chipped in: "You had better hold 'private talks' to solve the problem of the provinces and cities."

The term "private talks" indeed saved much time for the conference to focus on the major problems concerning the orientation of the special zones. As a result, during the intervals of the meetings, all kinds of "private talks" were held between the provinces and special zones, between the State Council and special zones concerned, and between the special zones, which solved many outstanding problems. Some delegates said that "private talks" was a good "invention" of the conference.

#### **Li Peng Interposes: Please Be Merciful**

Premier Li Peng arrived at the conference on the afternoon of 7 February. On that evening, he got first hand information from the responsible comrades of various State Council departments attending the conference. The participants were waiting on the morning session of the second day to listen to a speech given by the premier. However, Li Peng asked the responsible persons of the five special zones, Guangdong, and Fujian to give an account of their situation.

Chen Mingyi, vice governor of Fujian, said that investment by Taiwan businessmen in the Xiamen special

zone this year [as published] increased by 485 percent over the previous year, and the volume of the latter half of the year increased compared with the first six months, accounting for 67.7 percent of the annual figure, of which the largest project involved an investment of \$200 million. Premier Li Peng was very pleased with this piece of news, saying that this is due to "the fine weather and topographical conditions and support of the people."

Fujian also discussed the question of dividing the financial functions between the province and the Xiamen special zone. Li Peng said: "That is your 'internal problem.'" Chen Mingyi said jokingly to the premier: "Please give a ruling." Li Peng said in reply: "I hope that the governor will be merciful." Apparently, his remark,

which was "aimed at" the special zones, further enlivened the atmosphere of the conference.

Premier Li Peng listened to the account given by various special zones of their improvement and rectification work. He said: "I have been to all the special zones except Shantou. I am sorry I could not afford the time to visit Shantou. I met with Liang Guangda of (Zhuhai) twice. I have been to Xiamen once, to Hainan twice, and to Shenzhen every year since 1981, except last year."

Li also said: "My current stay in Shenzhen will be very short. I wish to take this opportunity to ask Comrade Li Hao to extend our regards to the people in Shenzhen and ask the comrades of the five special zones to convey our regards to the people there. I wish that new heights will be scaled in the work of the special zones."

### East Region

#### Anhui's Fu Xishou Inspects Chuxian Prefecture

OW1202115890 Hefei ANHUI RIBAO in Chinese  
19 Dec 89 p 1

[By reporter Sun Xinjiang (1327 2450 3068)]

[Excerpts] Anhui Governor Fu Xishou, along with responsible persons of appropriate departments directly under the provincial authorities, conducted a fact-finding tour of Chuxian Prefecture from 11 to 14 December. They toured Quanjiao County, Tianchang County, Laian County, and Chuzhou City to check on local industries and rural enterprises. They inspected the development of the agricultural infrastructure and small market towns in these areas. They listened to reports from leaders of the prefectural party committee and administrative office about economic work and the consolidation of the party in the prefecture. [passage omitted]

Fu Xishou was very pleased with the reports. He said: The local cadres are doing very well in fostering socialist ethics. The leading bodies at all levels are united. Everyone works together with one heart. Some veteran comrades have gone to work in grass-roots units. Tremendous success has been achieved in promoting the local economy, in developing socialist culture, and in maintaining public order. He asked them to keep up the good work, to further implement the guidelines of the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee, and to do an even better job in the future.

#### Anhui Leaders Address Spring Festival Gathering

OW1202073090 Hefei ANHUI RIBAO in Chinese  
28 Jan 90 p 1

[Excerpts] A mass gathering for exchanging 1990 Spring Festival greetings was held at the Luyang Hotel in Hefei on 27 January. [passage omitted]

Lu Rongjing, secretary of the provincial party committee, chaired the gathering. He said: Today is a traditional festival in our country. On this happy occasion, we have joyfully gathered to celebrate this first Spring Festival of the nineties over a cup of tea. I wish you a merry Spring Festival, good health, a happy family life, and success in your work.

Fu Xishou, deputy secretary of the provincial party committee and governor of the province, also spoke at the gathering. [passage omitted]

Fu Xishou said: Nineteen eighty-nine was a very unusual year, a year in which we advanced by surmounting difficulties. Under the correct leadership of the party Central Committee and the State Council, people throughout the province have in the past year unswervingly upheld the four cardinal principles, taken a clear-cut stand in opposing bourgeois liberalization, and firmly checked disturbances, thus stabilizing the situation. All people in the province have achieved initial results in improving the economic

environment and straightening out the economic order by making concerted and arduous efforts to surmount difficulties. The rural economy has further developed; industrial production has steadily increased; prices have gradually dropped; the market has tended toward stability; and people's minds have been set at ease. Gratifying achievements have been made in science, technology, culture, and public health. While enduring rigorous tests in the past year, we have taken a new step on the road of building socialism with Chinese characteristics. [passage omitted]

Fu Xishou stressed: In the new year we should firmly establish the concept of serving the people wholeheartedly. [passage omitted] We must resolutely punish those involved in cases of corruption, vigorously promote clean government, fully develop democracy, listen to the voice of the masses, and conscientiously accept their supervision. We should vigorously strengthen and improve our ideological and political work, step up the development of socialist spiritual civilization and the legal system, and bring about a noticeable turn for the better in the general mood of society and public order. We should strive to create favorable conditions for improving the economic environment, straightening out the economic order, deepening reform, and developing the economy.

Present at the gathering were responsible comrades of the provincial party committee, the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial Discipline Inspection Commission, the provincial Military District, the Artillery School in Hefei, the Electronic Engineering Institute of the People's Liberation Army, the Hefei City Party Committee, and the city government, including Wang Guangyu, Shi Junjie, Meng Fulin, Yang Yongliang, Cheng Guanghua, Liu Guangcai, Niu Xiaomei, Zhao Baoxing, Wang Shengjun, Shi Lei, Shao Ming, Hou Yong, Zheng Rui, Ying Yiquan, Kang Zhijie, Chen Tingyuan, Chen Tianren, Du Hongben, Wang Sheyun, Du Yijin, Wu Changqi, Zhang Runxia, Xu Leyi, Wang Zenong, Sun Youqiao, Pan Ezhang, Ma Leting, Guang Renhong, Meng Yiqi, Liu Yiping, Zhao Huaishou, Hua Zeqing, Zhang Youcai, Chen Guanglin, and Zhong Yongsan. [passage omitted]

#### Anhui Province Arrests Some 4,000 'Abductors'

HK0602132090 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0950 GMT 6 Feb 90

[Text] Beijing 6 Feb (ZHONGGUO XINWEN SHE)—According to a FAZHI RIBAO report today, by the end of 1989, Anhui Province had arrested some 4,000 "abductors" of women and children. Of these, 3,500 have been prosecuted in accordance with the law. Of the 2,937 found guilty, 65 were awarded capital punishment and 13 deferred capital punishment.

Since 1980, criminal abductions have grown increasingly intense. To deal with the situation, relevant departments set up "Offices to Crack Down on Abduction" in areas where "abductors" ran rampant. These department also



organized task forces to crack down on criminal elements and rescue abducted women and children. At the same time, legal knowledge was spread, so that people might consciously safeguard the legitimate rights of women and children.

To date, in the 10 counties or so where abduction is serious, 10,664 women and children have been rescued, with tens of thousands of families enjoying family reunions.

#### **Jiang Chunyun Addresses Shandong Financial Forum**

*SK0702025990 Jinan Shandong Provincial Service  
in Mandarin 2300 GMT 6 Jan 90*

[Excerpt] On the morning of 6 January, more than 1,200 responsible comrades from people's banks, agricultural banks, industrial and commercial banks, construction banks, and branches of the Bank of China from various parts of the province gathered in Jinan to discuss ways to make the province's financial work a success and to promote the provincial economic development for this new year. They pledged to implement the retrenchment principle; to appropriately manage and flexibly use credit funds; and to make concerted efforts to advance despite difficulties in order to promote a sustained, stable, and harmonious economic development.

Among the leaders of the provincial party committee and the provincial government present at the gathering were Jiang Chunyun, Zhao Zhihao, Ma Zhongcai, Ma Shizhong, Li Chunting, Zhang Ruifeng, and Song Fatang. Jiang Chunyun, Zhao Zhihao, and Ma Shizhong made speeches.

Jiang Chunyun stressed in his speech: Finance is one of the most important, effective, and flexible means of economic regulation and economic development. Therefore, the financial work has an extremely great bearing on our economic development, our economic rectification, and in-depth reform; and on ensuring an agricultural bumper harvest, appropriate industrial growth, better economic efficiency, market prosperity, and improvement of people's living standards this year. For this reason, Jiang Chunyun called on the vast number of workers and staff members on the financial front to fully understand their functions and role; to make this provincial financial work conference a success; to exchange experiences; and to commonly discuss major issues with a view to making this year's financial work more realistic, effective, and outstanding than last year's. [passage omitted]

#### **Shanghai Leaders Attend Cultural Performances**

*OW0602031690 Shanghai City Service in Mandarin  
2300 GMT 3 Feb 90*

[Excerpt] The Shanghai Municipal Cultural and Art Troupe returned to Shanghai with honor after giving performances to comfort people in Shanxi, Inner Mongolia, Beijing, and other localities. Yesterday, the Shanghai Municipal Cultural and Art Troupe gave a performance at the Friendship Hall

of the Shanghai Exhibition Center to comfort the advanced people on industrial, communications, transportation, machinery, scientific and technological, and other fronts in Shanghai.

Leading comrades of the Shanghai Municipal Party Committee, the Municipal Advisory Commission, the Municipal Commission for Discipline Inspection, the Municipal People's Congress, the Municipal People's Government, the Municipal Chinese People's Political Consultative Conference [CPPCC], and the People's Liberation Army [PLA] units stationed in Shanghai, including Zhu Rongji, Huang Ju, Wu Bangguo, Chen Zhili, Ni Hongfu, Ye Gongqi, Xie Xide, Ba Zhongtan, (Liu Xinwen), (Zhang Jinde), (Lu Neihe), (Hu Dingyuan) and (Xu Qiuhi); Chen Guodong, Hu Lijiao and Wang Daohan, members of the Central Advisory Commission; and Liu Jingji, vice chairman of the CPPCC National Committee, watched the performances. Lu Zhengcao, former vice chairman of the CPPCC National Committee, as well as Chen Yi, Yang Shifa, Yang Di and Zhang Qi, also attended the performances. [passage omitted]

#### **Zhejiang's Li Zemin Addresses Marxism Class**

*OW0902032590 Hangzhou ZHEJIANG RIBAO  
in Chinese 6 Dec 89 p 1*

[Text] A philosophy training class, sponsored by the Propaganda Department of the provincial party committee for cadres in charge of propaganda throughout the province, opened in the party school of the provincial party committee on 5 December. The class was held for the purpose of carrying out the guidelines of the instructions given by the CPC Central Committee on making cadres improve their study of Marxist philosophy. The meeting also focused on training key personnel for cadres' study of philosophy across the province next year. Secretary Li Zemin and Deputy Secretary Liu Feng of the provincial party committee and Liu Yifu, vice chairman of the provincial Advisory Commission and president of the party school of the provincial party committee, attended the opening ceremony. Li Zemin and Liu Feng spoke at the meeting.

In his speech, Li Zemin expounded the importance for leading cadres to study philosophy. He said: If we want to correctly and scientifically sum up experiences in order to succeed in our work, we must earnestly study Marxist philosophy. Our party was developed and grew strong on the basis of adhering to truth and of correcting mistakes through summing up both positive and negative experiences and lessons. The interference from the erroneous lines of Chen Duxiu's right opportunism and Wang Ming's "left" opportunism caused extreme losses to our party and its revolutionary cause during the period of democratic revolution. It was Comrade Mao Zedong who led the whole party to earnestly study Marxist philosophy. He personally wrote the two glorious books, "On Practice" and "On Contradiction," to apply the principle of dialectical materialism to purging opportunism of its errors. He wrote from the perspective

of world outlook and provided a scientific guidance of theory for the Yanan Rectification Movement. This was launched to study the theory of Marxism. It enhanced the whole party's level of Marxist theory and laid a solid foundation of ideology and theory for winning a victory in the democratic revolution. After the whole nation was liberated, we achieved great successes in the course of socialist construction. However, we took quite a number of tortuous roads and made many mistakes; in particular, we paid a heavy cost during the 10 years' "Cultural Revolution." Though it was very difficult to correct this kind of mistake, we were able to smoothly solve it under the leadership of the party. The fundamental reason here was that we revived the ideological line of seeking truth from facts and persisted in regarding practice as the only criterion for verifying truth. The CPC Central Committee and Comrade Deng Xiaoping apply the Marxist philosophy to finding solutions for problems from a perspective of world outlook and methodology. The CPC Central Committee and Comrade Deng Xiaoping have been once again applying the principle of dialectical materialism to formulating the basic line and a series of major policies and guiding principles since the Third Plenary Session of the 11th CPC Central Committee. For instance, the splendor of materialist dialectics shines in the party's basic line of "emphasizing the one central task of economic development and the two basic points of adherence to the four cardinal principles and implementation of reform and the open policy" during the initial stage of socialism. Comrade Jiang Zemin's recent National Day speech is full of materialist dialectics. That is why it offers very clear, smooth, and understandable reasoning. It may be said that our party built itself up, was developed, and grew strong by relying on Marxist philosophy. However, failure to attach due importance to Marxist philosophy on the part of some comrades among us led to the occurrence of quite a number of mistakes in our work. For instance, when they negated "taking class struggle as the key link," they failed to see the objective existence of class struggle within certain boundaries, and the possibility of its escalation under given conditions. When they talked about smashing the ossified systems and patterns, they negated the socialist orientation of reform and opening to the outside world. When they talked about learning the capitalist advanced technology and management experience from the West, they made the mistake of thinking that it was all right for them to implement "total Westernization." There were others who became overly excited about the economy and were too impatient for quick results. They reached a bottleneck when they talked about macro-economic control; and when they talked about microflexibility, economic chaos ensued. Why did they always go from one extreme to another? Why did they always toughen themselves in one area and become soft in another? Speaking in terms of the theory of knowledge, we may say that the root lies in a lack of philosophical brainpower and their failure to familiarize themselves with dialectical materialism when providing guidance for work. Li Zemin also emphasized the importance of studying Marxist philosophy from the angles of analyzing the world situation,

understanding the actual conditions in our province, and stressing the correctness, scientific characteristics, and foresight of strengthening the party's leadership.

At the meeting, Li Zemin also spoke about the preliminary arrangement made by the provincial party committee for leading cadres' study. He said: It will be necessary to spend 12 months organizing the party and government cadres at and above county level throughout the province to study the basic theories of Marxist philosophy next year. It is incumbent on the party committees at all levels to draw up corresponding plans and to earnestly organize their implementation. Leading cadres at all levels must take the lead in studying well and in assuming responsibility for the study by the cadres of their respective localities, departments, and units. The provincial party committee has decided to establish a central study group within itself to draw up plans, improve the system, and take the lead in study. Central study groups in the party committees at all levels throughout the province must further improve and consolidate themselves. The situation of cadres' theory study will be considered as an important criterion in the appraisal of the work of the party committees at all levels next year. He urged the comrades participating in the training class to cherish this rare opportunity; to earnestly apply themselves to study and familiarize themselves with this weapon of theory; and to make vigorous efforts to organize successful philosophical studies for cadres throughout the province next year and to promote education in theory among cadres in our province.

A total of 350 people participated in the training class. Among them were leading comrades of the circles of theory, art and literature, journalism and the press, and publication at the provincial level; secretaries of the central study groups of the party committees of every city (prefecture) and county (district); heads of propaganda departments of the party committees of some colleges and universities; responsible comrades sharing the duty of supervising study at provincial factories and mines; responsible comrades of the party committees of every unit and institution of provincial organs; and comrades from the provincial people's armed police corps.

The opening ceremony of the training class was presided over by Ma Shouliang, deputy head of the propaganda department of the provincial party committee. Lei Yun, deputy head of the propaganda department of the provincial party committee, and Zhang Shaofu, leader of the lecturer's group of the provincial party committee, also attended the opening ceremony.

**Shen Zulun Visits Zhejiang Rural Education Forum**  
*OW1002143290 Hangzhou ZHEJIANG RIBAO*  
*in Chinese 8 Dec 89 p 1*

[Excerpt] The provincial party committee and government convened a forum the other day to review education on the party's basic line in rural areas. This education is being carried out on a trial basis in Shangyu, Shaoxing, Quxian, and Xiangshan Counties and

Xiaoshan City. Officials of the five counties (cities) gave briefings on the situation and experiences of six villages in carrying out education on the basic line.

Shen Zulun, deputy secretary of the provincial party committee and governor, and Xu Xingguan, member of the standing committee of the provincial party committee and vice governor, presided over the forum, attentively heard briefings, and spoke. In their speeches, they fully affirmed the pilot work in these counties and pointed out that their work was well-guided, well-focused, well-executed, and fruitful. Their work provides successful experiences for carrying out education on the party's basic line in villages. [passage omitted]

### Central-South Region

#### Guangdong's Liu Discusses Overseas Policy

HK1102011890 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 9 Jan 90

[Text] At an inauguration ceremony of Shantou University yesterday, provincial party Secretary Liu Ruo pointed out: Guangdong will, as always, open its door wide for Hong Kong, Macao, and Taiwan compatriots and Overseas Chinese. China's policy of reform and opening up will remain unchanged. The motherland's policy for Hong Kong, Macao, and Taiwan compatriots and Overseas Chinese will also remain unchanged. He hoped that Hong Kong, Macao, and Taiwan compatriots and Overseas Chinese would continue to carry forward the tradition of loving the country and native land; take Mr Li Ka-shing as their example; and make concerted efforts for the prosperity of the motherland and for the invigoration of the nation.

Li Ruo highly praised Shantou University and Mr Li Ka-shing. He said: The completion of Shantou University has fulfilled the long-desired wishes of the people in Chaozhou and Shantou, and is a matter of primary importance in the development of education in our province. It has ended the history of no university in the Chaozhou and Shantou areas. Shantou University has become another base for training qualified personnel in our province. The establishment of Shantou University is the fruit resulting from concerted efforts exerted by men of insight both at home and abroad. In particular, Mr Li Ka-shing has demonstrated his great enthusiasm for loving the country and his native land.

Lin Ruo continued: The newly completed Shantou University will become a monument recording Mr Li Ka-shing's concern for the invigoration of our educational undertaking. While talking about the establishment of Shantou University, he stressed that the completion and development of the university are inseparable from the concern and support from the central authorities and various provinces, cities, and departments. During a period of 10 years, from the preparation up to the official completion of Shantou University today, the central authorities have provided indispensable support and

instructions for the university. We hope that the university will be built into an institution of higher learning that is influential both at home and abroad. We hope that it will train more useful qualified personnel for the modernizations of the motherland.

#### Guangdong Police Improve Ties With People

HK0502144790 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 2 Feb 90

[Text] During this year's New Year and Lunar New Year period, public security organs in Guangdong Province carried out a variety of activities aimed at cherishing the people, improving their own work style, and doing good things for the people, thus further strengthening the existing ties between the public security organs and the local people.

This year, public security organs in Guangdong Province once again presented the so-called "cherish-the-people-month" activities and further developed their fine traditions in the course of such activities. Public security organs in a total of 15 cities of Guangdong Province, including Guangzhou, Shenzhen, and Zhaoqing, held more than 3,000 various types of forums to listen to the opinions of the local people. They also set up opinion collection boxes and sent letters to the local people to solicit their opinions, thus demonstrating their willingness to accept the supervision of the local people.

The public security organs in Guangdong Province also made resolute efforts to put an end to all types of malpractices involving the public security personnel and the public security organs; permanently banned those practices which are detrimental to the production and livelihood of the local people; and further improved a variety of relevant measures and regulations.

During the "cherish-the-people-month," public security organs at all levels in Guangdong further developed the fine tradition of honestly performing official duties. The broad masses of the public security personnel also did more than 40,000 good things for the local people. The public security organs in Guangdong also timely returned their captured goods and money to the owners.

#### Chen Huiguang Addresses Guangxi Multiparty Forum

HK1202035390 Nanning Guangxi Regional Service in Mandarin 1100 GMT 10 Feb 90

[Text] The regional party committee on the morning of 8 February held a rally of cadres from departments and bureaus directly under the regional authorities to convey and study the opinions of the CPC Central Committee on persisting in and improving the CPC-led multiparty cooperation and political consultation system. The cadres also studied the essence of the important speech made recently by Comrade Jiang Zemin at a national forum attended by heads of united front work departments.



Chen Huiguang, regional party committee secretary, delivered a speech at the meeting. Cheng Kejie, deputy secretary of the regional party committee and acting chairman of the regional people's government, attended. Huang Yuyang, vice chairman of the regional Chinese People's Political Consultative Conference committee and head of the regional party committee United Front Work Department, conveyed the essence of the important speech by Comrade Jiang Zemin.

Comrade Chen Huiguang pointed out in his speech: The opinions of the CPC Central Committee on persisting in and improving the CPC-led multiparty cooperation and political consultation system are an important document drawn up by the CPC Central Committee together with various democratic parties under the directive of Comrade Deng Xiaoping. These are the norms of cooperation between the CPC and various democratic parties and a programmatic document guiding the work of our party and various democratic parties. The document has two major threads. One is to strengthen and improve the party's leadership, and the other is to develop socialist democracy, improve socialist legality, and give full play to the role of democratic parties in participating in state power and in exercising democratic supervision. We should deepen our understanding of the essence of the document and earnestly carry it out to the letter to promote stability and development in Guangxi.

Comrade Chen Huiguang continued: In his important speech made at the national forum, which was attended by heads of united front work departments on 11 January, Comrade Jiang Zemin repeatedly emphasized the importance of the united front, noting that the united front was one of the magic weapons used during the period of the democratic revolution and is still a magic weapon for us during the period of building socialism. Party committees and party and government cadres at different levels of our region should deepen their understanding of the essence of Comrade Jiang Zemin's speech, and attach importance to the united front work from the high plane of strategy. Party organizations and members working in united front departments especially should brace themselves to do the united front work better. In discussing how to carry out the spirit of the central document and Comrade Jiang Zemin's speech, Comrade Chen Huiguang stressed doing a good job in the following three aspects: 1) The essence of the document and speech should be fully conveyed and carried out to the letter within our party; 2) it is necessary to help various democratic parties, the federation of industry and commerce, and the relevant organizations convey and implement the spirit of the documents, and deepen their understanding and enhance their awareness in carrying out the CPC-led multiparty cooperation and political consultation system; and 3) United front departments at different levels should actively do the work well of uniting people, making as many friends as possible, managing to consolidate themselves, and raising the quality of their staff to meet the needs of the new situation.

#### **Guangzhou Military Region Urges Ideological Work**

*HK0602103290 Changsha Hunan Provincial Service in Mandarin 2300 GMT 1 Feb 90*

[Text] A certain division under the Guangzhou Military Region emphasizes educating people with Mao Zedong Thought, encouraging them with the spirit of Lei Feng, and impelling them with revolutionary tradition when doing ideological and political work. This is welcomed by the cadres and soldiers. Since 1987, this division has persisted in launching the "three-learning" activities of learning from Mao Zedong Thought, Lei Feng spirit, and the revolutionary tradition. Early each year, the division promptly studies and formulates an overall plan and concrete measures for launching the "three-learning" activities for the whole year. These are printed and distributed as resolutions by the division's party committee.

In the course of launching the "three-learning" activities, this division pays attention to the integration of studying basic theories and solving practical problems. Other than guiding cadres and soldiers in systematic study of Mao Zedong's writings and the "Selected Works of Deng Xiaoping," it also pays close attention to selecting relevant articles for study, with the definite objective of helping cadres and soldiers solve their practical problems connected with their views on the future, ideals, honor, family difficulties, marriage and love affairs, so that they can consciously standardize their own words and deeds with revolutionary theories and use them to guide their work. At the same time, this division also combines the study of Mao Zedong's writings and the "Selected Works of Deng Xiaoping" with learning from Lei Feng and tradition, to guide cadres and soldiers into regarding the "three-learning" activities as an organic whole to deepen their understanding of the Lei Feng spirit and revolutionary tradition.

Since launching the "three-learning" activities, this unit has won first prize for the group Army's ideological and political work for two consecutive years.

#### **Xu Shijie Visits Thai-Funded Hainan Prawn Farm**

*HK1002062590 Haikou Hainan Provincial Service in Mandarin 2300 GMT 8 Feb 90*

[Excerpts] On the afternoon of 7 February, Xu Shijie, secretary of the Hainan Provincial CPC Committee, and Li Zhimin, member of the Standing Committee of the Hainan Provincial CPC Committee, inspected a Thai-funded prawn farm in Qionghai County, Hainan Province. [passage omitted]

Accompanied by Mr Ye, advisor to the Thai-funded prawn farm, Comrade Xu Shijie and Comrade Li Zhimin visited a number of prawn-breeding pools on the prawn farm. [passage omitted]

During his inspection of the prawn farm, Comrade Xu Shijie expressed admiration and appreciation for the achievements made by the prawn farm over the past few

years and urged the prawn experts from Thailand to further popularize their prawn-raising technology in Hainan.

Comrade Xu Shijie also talked about improving Hainan's investment environment. Comrade Xu Shijie said that Hainan should bring into full play its own distinctive advantages and do all it can to create a better investment environment for its overseas investors. Comrade Xu Shijie added that only by doing things in such a way will Hainan be able to speed up its own economic construction and development.

#### **Henan's Yang Xizong Urges Multiparty Cooperation**

*HK1002054390 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 8 Feb 90*

[Excerpts] From the afternoon of 7 to 8 February, the Henan Provincial CPC Committee held a forum for nonparty personages to convey and study the document of the CPC Central Committee on persisting in and improving the system of multiparty cooperation and political consultation under the leadership of the CPC.

Yang Xizong, provincial party committee secretary, pointed out in a speech: The united front is one of the three magic weapons which led the Chinese revolution to victory. In the stage of socialism, it remains a magic weapon for us. The formation of opinions indicates that the CPC-led system of multiparty cooperation and political consultation has been becoming more and more perfect since it was put into practice in the long period of revolution and economic construction, and it has become more standardized and institutionalized. The system will play an important role in consolidating and developing the united front; carrying out the party's basic line; promoting the political restructuring; opposing the Western multiparty system; combating bourgeois liberalization; fighting peaceful evolution sought by the international hostile forces; and stabilizing the whole political situation in the country, and it will produce a telling influence, both at home and abroad.

Comrade Yang Xizong continued: Two main points run through the document. One is to strengthen and improve party's leadership, and the other is to extend socialist democracy. The two complement each other and should be grasped in a comprehensive way. The most important thing that our country now badly needs is to consolidate and develop a political situation of stability and unity, and maintaining stability is an overriding task. To this end, it is essential for us to uphold the four cardinal principles; persist in the reform and opening up policies; extend socialist democracy; and arouse the initiative of people of all social strata and all walks of life and the enthusiasm of the people of the whole country to make greater contributions to the attainment of all strategic targets which the party's basic line set. The document is of great importance for stabilizing the united front; keeping people's minds at ease; seeking unity of thinking; strengthening confidence; uniting with all the forces that can be united; bringing every positive factor

into play; and working together for stabilizing the political situation of the country. At the same time, it is also of great, far-reaching significance for the international communist movement as a whole.

Comrade Yang Xizong said: The document makes it clear that the People's Congress system is a fundamental political system of our country, and that the CPC-led multiparty cooperation and political consultation system is also a fundamental political system of our country. It also makes clear the relationship between the ruling party and parties taking part in government affairs; the problem of supporting the democratic parties to independently handle their own affairs while strengthening the leadership of the CPC; and the problem of how to give full play to the role of democratic parties in taking part in government affairs and in exercising supervision. Conscientiously studying and grasping the essence of the document and putting it into practice is, and will be for a long period of time, a major task for the party in the united front work. Party committees, people's congresses, governments, and the Chinese People's Political Consultative Conference committees at all levels, and organs affiliated with them, as well as all the democratic parties should attach importance to the document, cooperate with each other, and coordinate their activities. [passage omitted]

Comrade Yang Xizong said: The provincial party committee attaches importance to the united front work. The democratic parties of our province have always cooperated successfully with our party, and the cooperation of our party with democratic parties and nonparty personages has a solid basis, which can stand any test and has a bright future. In accordance with what the party Central Committee demands, he added, we must take advantage of implementing the document to strengthen the party's leadership; develop socialist democracy; create an atmosphere of more unity, democracy, and harmony; encourage and support democratic parties and nonparty personages to participate in political affairs; and support them to take an active part in the social practice of improving the economic environment and order, deepening the reform, and building socialist democracy. It is hoped that all the democratic parties of our province and the people of all circles will work together with us with one heart and one mind and pool their wisdom and efforts. Then we will be able to make new contributions in maintaining the political situation of stability and unity; promoting economic improvement and rectification; deepening the reform; and bringing about an advance in implementation of the one country, two systems policy and the peaceful reunification of the motherland. [passage omitted]

#### **Hubei Assigns Cadres to Grass-Roots Units**

*HK0602081890 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 4 Feb 90*

[Excerpts] The provincial party committee and government yesterday issued a circular calling on party committees and governments at all levels of the province to

organize cadres from party and government organs to work in grass-roots units in accordance with the spirit of a relevant circular issued by the CPC Central Committee and the State Council.

The circular urges:

1. It is necessary to conscientiously study the circular issued by the party Central Committee and the State Council calling for the organizing of cadres from party and government organs to work in grass-roots units. The circular also calls for deepening our understanding of the significance of this work. The party Central Committee and the State Council have decided to organize cadres from party and government organs at and above the county level to go down to grass-roots level units to understand the people, make friends with them, and perform more practical deeds. This is important and of immediate and far-reaching historic significance in the following: Inheriting and carrying forward the party's glorious tradition of maintaining close ties with the masses of the people; overcoming bureaucracy; changing the work style of organs; testing and raising the political and ideological quality of cadres at all levels and their level of leadership; maintaining a stable political situation throughout the country; pushing forward the tasks of economic improvement and rectification and in-depth reform; and promoting the sound development of the two civilizations. All cadres in party and government organs at and above the county level should earnestly study and understand the spirit of the circular issued by the party Central Committee and the State Council, acquire a deep understanding and implement the significance of the important policy decision made by the central authorities, and implement it to the letter in a down-to-earth manner.

2. Party and government organs at and above the county level should organize their cadres in turn and by stages to go down to units at the grass-roots level. Cadres in this category in the rural areas should go down to villages, those in factories to workshops, those working in city districts to subdistrict offices, and those at schools should go down to faculties and classes. [passage omitted]

Leading cadres at different levels should play an exemplary role and take the lead. Members of party committee Standing Committees and of the vice government of provincial governments should go down to grass-roots units for not less than two months a year. Leading cadres from party and government organs at the prefectural, city, autonomous prefectural, and county levels should go down for not less than three months a year.

3. The major tasks for those cadres going down to the grass-roots units are to: 1) Earnestly and sincerely listen to opinions, suggestions, and criticism from the masses of the people, realistically answer problems which concern the people, especially their knotty problems, and do painstaking ideological work with patience; 2) give publicity to party and government principles and policies,

carry out education in the party's basic line and the international and domestic situation, explain the importance of maintaining long-term stability of the state and society, and arouse the masses of people to make efforts to maintain stability and unity and do their best to fulfill all tasks for this year; and 3) consult with cadres at the basic level and the masses of the people, make suggestions and try to find solutions to their practical problems in production, work, and life, and help them overcome difficulties. [passage omitted]

4. Assigning cadres to work in grass-roots units should be carefully planned overall, and cadres should be assigned in turn and by stages. This will avoid rushing headlong into mass action and becoming a mere formality with the ensuing bad influence. The first group of party and government cadres going down to the grass-roots units across the province should include about 30,000 cadres at the provincial, prefectural, and county levels, of whom cadres from organs directly under the provincial authorities should amount to about 1,000. [passage omitted]

5. Party and government cadres going down to the grass-roots units should: Carry out their work strictly in the spirit of the central directives; strictly observe party and administrative discipline; inherit and carry on the fine traditions and work style of our party; immerse themselves among the masses of the people; get down off their high horses; eliminate bureaucratic airs; understand the people and make friends with as many as possible; perform more practical deeds; work in a down-to-earth-manner; seriously resolve problems; do what they can for production work; and avoid any formalism in their work. [passage omitted]

6. More leadership should truly be given to organizing party and government cadres to go down to the grass-roots units. Party committees, governments at all levels, and organs directly under the provincial authorities should assign their full-time cadres for this work. [passage omitted]

#### Hubei Issues Field Management Circular

HK0902073990 Wuhan Hubei Provincial Service  
in Mandarin 1000 GMT 8 Feb 90

[Excerpt] Yesterday, the Hubei Provincial People's Government issued an emergency circular demanding that all areas practically strengthen field management of summer crops.

The circular said that all areas should grasp the opportune moment at present and take immediate actions to strengthen field management of summer crops, develop the current fine situation, and reap an unprecedentedly good harvest of summer grain and oil crops. To this end, the circular demanded that all prefectures, cities, and counties of Hubei make every possible endeavor to guarantee the supply of chemical fertilizer, organize the peasants to repair canals and irrigation networks, do a good job in preventing and curing plant diseases and insect pests, and strengthen



leadership in a practical way over the field management of summer crops. [passage omitted]

### Northwest Region

#### Qinghai Commander Urges Good PLA-People Ties

HK3101083690 Xining Qinghai Provincial Service  
in Mandarin 2300 GMT 30 Jan 90

[Recorded talk by senior Colonel (Zhao Liancun), director of the political department of Qinghai Provincial Military District: "Strengthen the Building of the Army, Build Good Relations between the Army and the People"]

[Excerpts] [Begin recording] In the past year, under the leadership of the CPC Central Committee, State Council, and Central Military Commission, the Army and the people throughout the province worked with one heart and one mind; united to fight; advanced continuously; and won a great victory. Through serious study and implementation of the spirit of the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee, the enlarged meeting of the Military Commission, and the Army-wide political work conference, the Provincial Military District, all People's Liberation Army (PLA) units stationed in the province, and Provincial Armed Police Corps have further strengthened political building and improved the military and political quality of the commanders and fighters. In the struggle of curbing the turmoil and putting down the counterrevolutionary rebellion, they kept in line with the CPC Central Committee, resolutely carried out the orders of the CPC Central Committee, State Council, and Central Military Commission, and made important contributions toward the stabilization of Qinghai. All PLA units have seriously implemented the principle of strictly running the Army in the course of building the Army and made gratifying achievements. All PLA units stationed in the province have inherited and carried forward the glorious tradition of supporting the Army and cherishing the people; strictly observed discipline; respected and obeyed the leadership of the local party committees and governments; universally launched the drive of ardently loving the people of all nationalities and building the dearest hometowns; actively participated in local economic construction; made further progress in thousands upon thousands of projects built with joint efforts; further built good relations between the Army and the people; strengthened the unity of nationalities; and made new achievements in the building of the two civilizations of Qinghai. [passage omitted]

In the past one year, the local party committees and governments at all levels and the people of all nationalities in Qinghai provided the PLA units with several thousand outstanding sons and brothers; extensively conducted education in national defense and glorious traditions; and established the practice of loving the country and supporting the Army in the whole society. Some 1,600 party and government comfort groups

brought warmth to the barracks, and nearly 10,000 service groups for supporting the Army and giving preferential treatment to the family members of martyrs and servicemen went deep into all PLA units stationed in the province to do much good work. The standards of preferential treatment have been universally enhanced within the province, and proper arrangements have been made for demobilized servicemen who have been transferred to civilian work. The building of the PLA units has been vigorously promoted. On behalf of all commanders and fighters of all PLA units stationed in the localities and the Armed Police corps, I express heartfelt thanks to the people of all nationalities throughout the province once again.

This year is the first year of the 1990's. All commanders and fighters of our provincial Military District, all PLA units stationed in the province, and the Armed Police corps are determined to continuously and seriously implement the spirit of the Fifth Plenary Session of the 13th CPC Central Committee, the enlarged meeting of the Military Commission, and the Army-wide political work conference in the year to come. Under party leadership, we will further strengthen political building and, with Comrade Lei Feng as our example, act as strong fighters loyal to the party, the country, socialism, and the people. Thus our PLA units will become the people's army that the party and the people can trust and that is forever politically qualified. We must further strengthen Army building; heighten the combat effectiveness of the PLA units; resolutely accomplish all tasks entrusted to us by the party and the people; firmly remember the aim of our Army; respect the local governments more conscientiously; ardently love the people of all nationalities; incisively unfold a drive of building with joint Army-people efforts; vigorously support local economic construction; and make new contributions toward safeguarding and building Qinghai.

#### Shaanxi CPC To Send Cadres to Grass Roots

HK1002045790 Xian Shaanxi Provincial Service  
in Mandarin 0030 GMT 8 Feb 90

[Text] Yesterday morning, the Shaanxi Provincial CPC Committee held a meeting attended by the leading cadres of all the provincial party and government organs in a bid to mobilize and organize cadres of the provincial party and government organs to go deep to the grass-roots level and become one with the masses.

At yesterday's meeting, Hou Zongbin, governor of Shaanxi Province and concurrently deputy secretary of the Shaanxi Provincial CPC Committee, relayed the circular of the CPC Central Committee and the State Council on "Organizing Cadres of Party and Government Organs to Go To the Grass-roots Level."

Zhang Boxing, secretary of the Shaanxi Provincial CPC Committee, made a mobilization report entitled "Go Deep to the Grass-roots Level, Transform Work Style, and Make

Contributions to Stabilizing the Overall Situation, Promoting All Types of Work, and Comprehensively Implementing All the Tasks Formulated by the Fifth Plenary Session of the 13th CPC Central Committee."

In his report, Comrade Zhang Boxing particularly stressed the following three issues: 1) To fully understand the importance of organizing cadres of party and government organs to go to the grass-roots level; 2) to clearly define all work-related responsibilities and tasks and improve work methods; 3) to strengthen leadership, make comprehensive arrangement, carry out work in a down-to-earth manner, and practically make the work of organizing cadres to go to the grass-roots level a complete success.

Comrade Zhang Boxing said that organizing party and government cadres at and above county level to go down to this level to learn the real situation and to do things for the masses at the grass-roots level is of great importance for further developing the CPC's fine tradition of forging close links with the masses; overcoming bureaucratism; improving the work style of the party and government organs; maintaining sustained political stability in China; and realizing a steady and coordinated development of China's national economy.

Comrade Zhang Boxing pointed out that the main tasks to be accomplished by the party and government cadres to be sent to the grass-roots level include: 1) To listen to the views, suggestions, and criticisms expressed by the broad masses of the people and to learn the real situation so as to further improve the work of the provincial party and government organs; 2) to popularize the principles and policies of the CPC and the state and to carry out education on the current situation, the current difficulties, and the future of China among the broad masses of the people in a bid to dispel their misgivings and doubts; 3) to help the units solve problems and overcome difficulties in production, work, and livelihood; 4) to help some localities and units resolve their outstanding contradictions and problems in respect to party-building,

power organ building, and leading body building. Comrade Zhang Boxing said that the cadres of provincial party and government organs will mainly be sent to those grass-roots units beset with serious problems and many complaints from the masses. Therefore, the cadres of the provincial industrial and communications department should mainly go to the big and medium-sized backbone enterprises. The cadres of the provincial agriculture department should mainly go to the counties which are Shaanxi's grain, cotton, and oil crop production bases and go to the poverty-stricken counties. The cadres of the provincial finance and trade department should mainly go to the units beset with management and supervision problems. The cadres of the provincial propaganda, culture, and education departments should mainly go to various institutions of higher learning, secondary and primary schools, and units directly affiliated to their departments in Shaanxi Province. All the cadres sent to work at the grass-roots levels should neither act as officials dispatched by the higher authorities to supervise the work there nor act as officials dispatched by the higher authorities to find fault with the lower authorities. Cadres sent to work at the grass-roots level should not issue irresponsible orders during their stay there. Instead, the cadres sent to work at the grass-roots level should modestly learn practical work experiences from the comrades who have been working at that level for years. The responsible comrades at provincial, prefectural, and city levels should take the lead in going to the grass-roots level, observing disciplines, and transforming work style. All the leading comrades sent to work at the grass-roots level should really go deep to the factories, workshops, villages, and peasant households; should not make irresponsible remarks detrimental to the overall situation of stability and unity during their stay at that level; should live a plain and simple life; become one with the masses; should endeavor to overcome their bureaucratic airs; and should act as public servants among the masses.

It has been learned that about one-third of the cadres of the provincial organs at and above department level will become the first batch of cadres to be sent to the grass-roots level before 15 February, 1990.

**Commentary Discusses U.S. Military Cuts***OW1102061490 Taipei International Service in English  
0200 GMT 7 Feb 90*

[Station commentary: "U.S. Military Cuts: Prospects and Worries"]

[Text] Planned U.S. military cutbacks around the globe have won the support of most people, given that it appears that the Soviet Union is also reducing its military forces. As the two superpowers unwind from their previous high tension cold war days, the world may be on the threshold of a historical demilitarization. Hopes are high that that is the case.

The Soviet Union began its military scale-back after Mikhail Gorbachev wisely determined that the Soviet economy could no longer bear the burden of massive military spending. Near collapse, the Soviet economy has always been military oriented; now, Gorbachev wants to make it consumer based.

In the United States, a similar scenario is unfolding. Military cutbacks, and defense budget reductions, mean that even the greatest economy on earth cannot stand an arms race for long. During the Reagan years, the United States sacrificed its economic superiority by forcing the hand of the Soviet Union in the arms race. That gimmick was paid off well. Gorbachev has realized he cannot win the race and has instead focused his efforts on reforms at home.

That kind of hardball made possible the era of arms reductions and peace that is now upon us. But U.S. defense cutbacks also may spell trouble. For starters, many critics argue that it is too early for the United States to consider the cold war over and done with. Part of this argument has to do with the stability of Gorbachev's leadership position in the Kremlin. U.S. and Western military strategists must consider the worrisome specter that Gorbachev can be replaced any time by hardliners in the Kremlin who are opposed to both his economic reform at home and his military withdrawal abroad. If the hardliners seize power, the United States could be caught in a dangerous state of naivete and military unpreparedness.

In Asia, the specter of U.S. military cuts raises different, but no less serious questions. Asians worry that a U.S. drawback will cause Japan to fill the gap on Asian defense. Certainly Japan would feel compelled to step up its own defense responsibilities. That worries Asians because memories of the last world war are still very vivid. The Japanese militarists overran much of Asia, leaving a scar that is still very much evident today. A U.S. pull-back of the Asian defenses may rekindle militarization in Japan, something the Asians simply cannot accept.

Naturally, everyone hopes that the easing of East-West tensions will lead to drastic reductions in arms spending and an era of genuine peace and friendship between the

superpowers. While efforts should continue in that direction, the free world must not lower its vigilance of the consequences of sudden change in Soviet leadership and policy.

Indeed, no one knows more about the price of such vigilance than Chinese here in the Republic of China [ROC] on Taiwan. Faced with a massive threat from communist China a mere 100 miles away, Taiwan has had to spend some 30 percent of its GNP on defense over the years. Now the world's 20th richest nation, imagine how much better off the Republic of China on Taiwan would be, would it not for that defense burden. [sentence as received] The United States and the Soviet Union are obviously beginning to think the same thing about their futures.

**Shaw Says Mainland Communism To 'Vanish'***OW0102154790 Taipei CNA in English 1207 GMT  
1 Feb 90*

[Text] Paris, Jan. 31 (CNA)—Dr. Shaw Yu-ming, director-general of the Government Information Office of the Republic of China [ROC], told a French audience Wednesday night at a dinner party that Eastern Europe and the Soviet Union are now being swept by a tide of freedom and democracy, echoing the democracy movement on the Chinese mainland. "This is a sign that communism has finally met its end in all parts of the world, and freedom and democracy have become the mainstream of our times. Therefore, we firmly believe that once we have entered the 21st century, communism will be no more than a historical term, and the Chinese nation will have been reunited under a free and democratic system."

Dr. Shaw made the statement at dinner party in Paris Lutetia Hotel at an invitation of Mr. Saining Kung, representative of the Republic of China to France. Some one hundred French scholars and journalists were invited to the party. Dr. Shaw arrived here from Copenhagen earlier today for a 24-hour visit.

In the dinner party, Dr. Shaw examined developments in the ROC over the past few years from four aspects: political democratization, social pluralism, economic liberalization, and the ROC's policy toward the Chinese mainland.

"In December 1989, we held elections for legislators, county magistrates and mayors, and provincial assemblymen and city councilmen. These elections were highly significant and completed under fair, just and open conditions," Dr. Shaw said.

He said that another important index of political democratization is the rapid expansion and development of the mass media. On January 1, 1988, the Republic of China lifted restrictions on the establishment of newspapers. Following this liberalization measure, the number of newspapers in Taiwan grew from 29 to about 100, with daily circulation reaching 5.7 million copies. With a



population of 20 million people, that comes out to one paper for every four people, one of the highest rates of newspaper reading in the world and the freedom of expression enjoyed by the Taiwan press compares favorably with that of the advanced democratic nations of the West.

Discussing the development of social pluralism in the Republic of China on Taiwan, Dr. Shaw pointed out that since the lifting of martial law in the ROC on July 15, 1987, many various interest groups have emerged, for example, ones seeking to protect and enhance labor and farmer interests, women's rights, welfare for the handicapped, environmental protection, and consumer rights. This phenomenon demonstrates that Taiwan now has a pluralistic society. The various interest groups compete for resources and attention, but they also tolerate each other, making our political process into one based on "the art of compromise." That is to say that there is no one group or class of society that can monopolize our political, economic, social, or cultural resources. This trend is helping guide us toward more openness and rationality.

Dr. Shaw said that another area of positive development is the quickened pace of liberalization and internationalization of the ROC economy. "We have undertaken a number of measures in order to achieve this goal. For example, in order to further open up our market to foreign products and services, we have over the past three years slashed import tariffs on over 9,500 items, and have totally eliminated tariffs on over 300 items. We have also relaxed foreign exchange restrictions, and allowed the new Taiwan dollar to appreciate by almost 60 percent since 1984. We predict that by the year 2000 our per capita income will have reached 20,000 U.S. dollars and we will qualify for entry into the ranks of the developed nations of the world."

Talking about ROC's mainland China policy, Dr. Shaw pointed out that since the late President Chiang Ching-kuo lifted the ban on travel by individuals to the Chinese mainland in November 1987, Taiwan residents have made one million trips to the Chinese mainland. The ROC also allows visits to the ROC by mainland Chinese residents, in particular, outstanding artists, scholars, mainlanders studying overseas, and leaders of the mainland democracy movement.

"This kind of unofficial bilateral exchange has done much to increase understanding between the people on either side of the Taiwan straits.

"Even more importantly, we are, through these contacts, introducing Taiwan's successful developmental experience in the areas of politics, economy, society, and culture to the Chinese mainland," he stressed.

Dr. Shaw told his French audience that the basic strategy behind ROC's mainland policy is to use quantitative change to bring about qualitative change. "Through the combined efforts of all forces, communism will one day vanish from Chinese soil," he said.

Dr. Shaw concluded that with historical experiences, we have good reason to believe that in the wake of the Tiananmen incident, Chinese intellectuals and opponents of communism inside and outside of the mainland will succeed in overthrowing the violent and despised government of the Chinese Communists.

#### **Officials Welcome Soviet Communist Party Moves**

OW0802192190 Taipei CNA in English 1545 GMT  
8 Feb 90

[Text] Taipei, Feb. 8 (CNA)—Government officials of the Republic of China [ROC], responding favorably to the Soviet Communist Party's announcement that it would renounce its monopoly of power, said Thursday that the ROC Government was considering lifting its four-decade ban on direct trade with Moscow.

Economics Minister Chen Li-an told the press that the question of allowing direct trade with the Soviet Union had been fully discussed. "An announcement will be made when the time is ripe."

Vice Economics Minister Wang Chien-shien added that the Economics Ministry hoped that normalized relations with the Soviet Union would include air and maritime relations as well as correspondence banking.

Fredrick F. Chien, chairman of the Council for Economic Planning and Development, went even further. The ROC Government should consider the feasibility of financially aiding Moscow, with which the ROC does not maintain diplomatic ties.

The Soviet Union was the world's eighth largest trading nation in 1989, with \$230 billion in foreign trade.

Trade between the Republic of China and the Soviet Union reached \$130 million last year.

#### **Executive Yuan Proposes Direct Soviet Trade**

OW1202163390 Taipei CNA in English 1516 GMT  
12 Feb 90

[Text] Taipei, Feb. 12 (CNA)—An Executive Yuan staff meeting Monday proposed that direct trade between the Republic of China [ROC] and the Soviet Union be permitted.

The recommendation to lift the four-decade ban in trade between the two countries will be submitted to Premier Lee Huan soon for his approval.

Sources close to the Ministry of Economic Affairs estimated that once the ban on direct trade with Moscow is lifted, trade between the ROC and the Soviet Union should double within a few years.

Two-way trade between Taiwan and Moscow reached 74 million U.S. dollars in 1989, up 67 percent from a year ago.

Also on Monday, Communications Minister Clement C.P. Chang told the press that his ministry would propose to the cabinet that, "in principle" restrictions be lifted on mail, telephone, maritime and air links with the Soviet Union and Albania.

Chang stressed that while there was no schedule for opening the door to the two communist countries, the Ministry of Communications would present its proposal to the cabinet before the anticipated cabinet reshuffle in May.

Since there are no technical problems in establishing telephone links with Moscow, if the proposal is formally approved by the cabinet, communications link with the Soviet Union can be opened in a month's time, Chang noted.

### **EEC Signs Protocol on Admission of Goods**

*OW1002061590 Taipei CNA in English 0410 GMT  
10 Feb 90*

[Text] Brussels, Feb. 9 (CNA)—The Republic of China and the 12-nation European Economic Community signed Friday a protocol of temporary admission of goods which is expected to facilitate the promotion of bilateral trade relations.

The protocol was signed Friday by Huang Hsing-kuo, deputy secretary general of the China External Trade Development Council (CETRA) and Von Bulow, chairman of the Europe Chamber of Commerce after three days of intense talks at the EEC Executive Commission here.

Huang expressed his satisfaction with the signing of the protocol following two years of negotiations. The protocol will allow temporary customs clearance of non-commercially used goods without need to pay any customs guarantee, he said.

The protocol is technically part of an agreement on the organization of a system of international customs deposit for temporary admission of goods which is expected to be reached soon.

If the agreement is reached, traders of the 12 EEC nations who want to participate in any CETRA-sponsored trade fairs in Taipei will benefit from immediate clearance of their product samples off the customs by simply presenting their temporary admission carnet (ATA carnet), and vice versa for ROC traders in the EEC countries, Huang said.

Works of arts, professional instruments, or sports equipment for certain specific utility except commerce from signatory countries are also good to benefit of the temporary duty-free clause, the CETRA official said.

As Europe Chamber of Commerce also includes the six nations of the Association of Free Trade Exchange (Switzerland, Austria, Norway, Sweden, Iceland, and Finland), an official of Far East trade office in Brussels

said the ROC is expected to further expand trade contacts with those European countries when the ATA carnet agreement with EEC countries is reached.

### **Indonesia Signs Investment Guarantee Memorandum**

*OW1002041490 Taipei CNA in English 1525 GMT  
9 Feb 90*

[Text] Taipei, Feb. 9 (CNA)—Republic of China [ROC]-Indonesian economic and trade relations took a big stride forward Friday when trade representatives of the two countries signed a memorandum on investment guarantees and relief from double taxation.

The document was signed by Tzen Wen-hua, the ROC representative in Indonesia, and E.A. Tamara, president of the Indonesian Chamber of Commerce to Taipei, at the Economics Ministry.

The ministry's Industrial Development and Investment Center [IDIC] said two-way trade between the ROC and Indonesia reached 1.6 billion U.S. dollars last year, while the number of local investment projects in Indonesia rose to 46, from just three in 1987.

According to the Nov. 16, 1989 issue of the FAR EASTERN ECONOMIC REVIEW, the ROC was the largest foreign investor in Indonesia with a total investment of 923 million U.S. dollars in 1988, a whopping 11,584 percent increase over the previous year.

The IDIC said the inking of the memorandum would boost the confidence of the local business community in investing in that Southeast Asian nation.

It also said that the accord would ensure the safety of ROC investment in Indonesia, a development much favored by ROC Businessmen.

### **Kuomintang Nominates Li Teng-hui for Presidency**

*OW1202040390 Taipei CNA in English 1535 GMT  
11 Feb 90*

[Text] Taipei, Feb. 11 (CNA)—The Kuomintang [KMT] on Sunday named President Li Teng-hui to run for the presidency of the Republic of China [ROC].

President Li picked presidential Secretary-General Li Yuan-zu as his running mate.

In a special one-day plenum, the ruling party's 13th Central Committee unanimously nominated Dr. Li as its standard bearer in the presidential election scheduled for March 21.

The meeting opened at the Chungshan building in Yangmingshan in suburban Taipei at 9 AM. President Li presided over the opening session in his capacity as chairman of the Kuomintang.

In his speech to the meeting Li said the KMT needs to create more room for further progress, he also reasserted the party's commitment to strive for the reunification of China.

He was nominated during the second plenary session of the one-day meeting, where all 180 members of the Central Committee stood up to acclaim his candidacy.

Elected vice president in 1984, Dr. Li succeeded President Chiang Ching-kuo, who died on January 13, 1988. He is seeking his first elective term as president. The national assembly, which will start meeting February 19, will elect the president and the vice president.

During the third plenary session, which started in the afternoon, President Li nominated his presidential secretary-general for the vice presidency. The attending Central Committee members then raised their hands to unanimously accept the nomination.

The national assembly, similar to the electoral college of the United States, will elect the vice president on March 22. The fourth plenary session also adopted directories for the Kuomintang [word indistinct] the national assembly. [sentence as received] They should safeguard the Constitution, elect the party standard bearer and his running mate, revise the "temporary provisions effective during the period of communist rebellion," exercise with caution [words indistinct] an referendum [word indistinct] guidelines for the mission of reunifying China.

Under temporary provisions effective during the period of communist rebellion, "a part of the Constitution, the president can be re-elected to a third, fourth, or even fifth term. Proposed revisions will limit the presidency to two terms.

### Li Accepts Nomination

OW1202013890 Taipei CNA in English 1517 GMT  
11 Feb 90

[Text] Taipei, Feb. 11 (CNA)—President Li Teng-hui, in accepting the Kuomintang's nomination as its candidate for president of the Republic of China [ROC] Sunday, emphasized that he would give all he has to serve the public.

In a brief statement, President Li accepted the party's nomination as its standard bearer and repeated the pledge he had made on assuming the presidency in 1988.

"Let me hereby reiterate my pledge," President Li said. "I shall observe and protect the Constitution, execute national policy, and give my all in serving the public," he pledged.

Dr. Frederick Chien, chairman of the Council for Economic Planning and Development, informed President Li of the unanimous decision of the Kuomintang's 13th Central Committee at 1:40 p.m. after the Central Committee, meeting in a one-day plenum, had voted to name its chairman of the party's candidate for the presidency.

### Pledges To Continue Reform

OW1202012790 Taipei CNA in English 1524 GMT  
11 Feb 90

[Text] Taipei, Feb. 11 (CNA)—President Li Teng-hui said on Sunday the reform of the Kuomintang would pave the way for all other reforms to be made in the Republic of China [ROC].

In a closing address to a special one-day plenum of the ROC ruling party's 13th Central Committee at Yang-mingshan, suburban Taipei, President Li said the Kuomintang had to carry out its party reform so that the public could identify with the party.

"We must realize," President Li said, "that our party's reform is the prime mover for all reforms and the people's identification with us lays the ground for the realization of our ideals."

[Words indistinct] the Republic of China continues to prosper, the people will have higher expectations of the ruling party, President Li said. "We should, with new ideas and new approaches and in a truly unselfish spirit, carry on our party reform ... To usher in a new era of prosperity," he added.

He also urged Kuomintang members to redouble their efforts to serve the public. "All of us have to work harder to realize our ideals and to fulfill our duty to serve the public," he told the party members at a dinner following the conclusion of the special plenum where he was unanimously nominated to run for the presidency.

### Nomination 'Well Received'

OW1202042690 Taipei CNA in English 0256 GMT  
12 Feb 90

[Text] Taipei, Feb. 12 (CNA)—The Kuomintang's [KMT] nominations of Chairman Li Teng-hui and Li Yuan-zu as the party's presidential and vice presidential candidates were generally well received here.

Upon hearing the news, the Ven. Cheng Yen, known as the "Mother Teresa of Taiwan" because of her life-time dedication to promoting charity and medicare, praised Li as the most appropriate presidential candidate.

The widely respected Buddhist nun told CNA that she respected Li very much. "He is not only a noble and erudite man, but also a man with universal compassion."

Chang Chun-hung, secretary general of the opposition Democratic Progressive Party's Central Committee, also lauded Li, the scholar-turned-politician, as the KMT's best presidential candidate because of both his popularity and scholarly attainment.

Chang recalled that when he was still a university student some 20 years ago, he often had contact with Li, then a professor at National Taiwan University. Chang gave high credit to Li's outstanding scholarly achievements and self cultivation.



This will guarantee his ability to assume the nation's heavy responsibilities, Chang replied when asked to comment on the KMT's decision Sunday to nominate Li and Li Yuan-zu as the party's candidates in the presidential and vice presidential election slated for March 21 and March 22 respectively.

Yu Tzong-shian, vice president of the Chunghua Institute for Economic Research, spoke highly of the Government's performance under Li's leadership since early 1988 when Li succeeded the late President Chiang Ching-kuo.

In addition to hoping Li would improve the local investment climate, Yu called for the thorough liberalization of the economy.

Professor Hou Chia-chu of Soochow University said that, as a KMT member, he fully supported Li and Li. Prof. Hou hoped they would work together to upgrade the living standards of not only Taiwan residents but also those of their fellow countrymen on the China mainland, because "that would be the most efficient way to reunify China."

Premier Li Huan, while highly praising President Li's current leadership, predicted that if President Li were successfully elected to a second term, the Republic of China would open an even brighter new chapter in the coming few years.

The premier also endorsed President Li's decision to pick his secretary general as his running mate. "I believe it is President Li's best choice."

Hsueh Yu-chi, national policy adviser to the President, said that Li's nomination by the KMT met the anticipation of the general populace.

The foreign community responded favorably to the KMT's nomination too. Tobin Alexander [name as received], director of the Texas Trade and Investment Office in Taipei, told CNA that Li had attached special attention to bilateral relations between the Republic of China and the United States. He said he believed, if reelected, Li would continue working to narrow the trade gap between the two nations.

### **Preliminary Plans To Launch Satellite Announced**

*OW3101142090 Taipei International Service  
in English 0200 GMT 30 Jan 90*

[Text] The Cabinet's National Science Council [NSC] stated on Monday that preliminary plans mapping out a launching of the man-made satellite will be forwarded to the cabinet in the middle of February. After the plans are made public, seminars will be held in the northern, central, and southern parts of the island to allow concerned individuals to express their opinions.

The NSC said that, compared with advanced nations, space technology research and development expenditures here are fairly low. The council said that, even though providing for a 50 billion NT [New Taiwan dollars] budget over the next 5 years to launch a satellite, overall expenditures in the area in the Republic of China [ROC] are still too low. Officials said that, as many countries are spending large amounts of money on space technology so as to be competitive in the next century, unless the ROC moves quickly, it will fall even further behind in the race.

### **Science Council Views Plan**

*OW0202002490 Taipei CNA in English 1515 GMT  
1 Feb 90*

[Text] Taipei, Feb. 1 (CNA)—The National Science Council [NSC] held its first advisory hearing Thursday on a proposal to launch the nation's first satellite.

Government officials, scholars and an entrepreneur gave their views on budget, manpower and technical transfer problems that might be encountered by the satellite program.

Director Hu Chin-piao of the NSC Department of Engineering Science said NSC had been considering inviting three foreign companies, two American and one European, to join in the program.

The prospective foreign partners will be evaluated on their yearly turnover, technological level, after-sales service and sincerity in transferring technology, Hu said.

Once selected, the foreign partners would be required to work closely with Republic of China scientists and technicians in designing, launching and operating the satellite, he said.

NSC would also send staffers abroad to acquire know-how from the foreign companies, he said.

## Hong Kong

### Former UK Foreign Secretary Meets Li Peng

#### More Negotiation Needed

HK0302021790 Hong Kong SOUTH CHINA  
MORNING POST in English 3 Feb 90 pp 1, 2

[From John Kohut in Beijing]

[Text] Former British Foreign Secretary, Dr. David Owen, met the Chinese Premier, Mr. Li Peng, yesterday and came away convinced there was still room for debate on the fate of Hong Kong.

"I get the feeling there is still some negotiation to be done," Dr. Owen told reporters after a 55-minute meeting with the Premier in Zhongnanhai, the walled compound in the centre of Beijing, where China's leaders live.

"There is still negotiating going on. There is still flexibility and I think, with a little luck, there will be movement," said Dr. Owen, who was Foreign Secretary in 1970s and a founder of the Social Democratic Party.

However, Dr. Owen was not able to quote any specific comment by Mr. Li which pointed to areas of possible breakthrough. "I just think that there is room there," he said.

"I don't say there's going to be massive shifts of position but there is room for negotiations. I would hang in there."

Neither would he go into the specifics of his conversation with Mr. Li on Hong Kong, their main topic of discussion.

But he did relate his impression of the Premier as a man who was "more confident and more flexible than I have been given to understand."

"He was quite explicit that Hong Kong was a capitalist system. He actually sued the linkage of saying capitalist Hong Kong was a necessary element for their socialism," Dr. Owen said.

"There was no resentment, it seemed to me, about the need for a democratic element in Hong Kong. The only argument was on pace."

Dr. Owen said he pushed Mr. Li "quite hard" on the issue of Hong Kong and "reminded him of the intangible of confidence" in the territory.

"He then reminded us he hadn't reduced any democracy in Hong Kong," Dr. Owen said.

He criticized newspaper and other commentators who have suggested Britain should speed up the democratization of politics in Hong Kong, regardless of Chinese opinion.

Commentary in British newspapers suggesting that "you could go ahead, impose democracy and to hell with the consequences, shows complete and absolute lack of understanding of what is involved in relations with China," Dr. Owen said.

Furthermore, such ideas "are certainly not in the interests of Hong Kong".

"The long term necessitates Beijing understanding, and by and large we should do everything to reach agreement. It doesn't mean we have to give up our position," he said.

Agreement, instead of unilateral action on any side, "is so patently obviously in the interests of all three elements—Britain, Hong Kong and China—and there's been too much talk about either the impossibility of reaching agreement or this hare-brained scheme that you just impose 100 percent democracy," he said.

Dr. Owen said he would not consider it inappropriate for the British Foreign Secretary, Mr. Douglas Hurd, to meet Chinese leaders in Beijing if the Basic Law negotiations run into severe difficulties. But he did not believe such a visit was necessary at this point.

During Dr. Owen's conversation with Mr. Li there was no mention of the limited British nationality package for Hong Kong people, "which I think was interesting", said Dr. Owen, himself one of the earliest advocates of issuing passports selectively to residents of the territory.

Neither did Mr. Li raise the other "hot points which have caused quite a stir", except to express anxiety about China being under-mined by anti-Chinese government activity in Hong Kong.

Dr. Owen expressed to Mr. Li his "great sadness" about the events in China last June and questioned him about how civil disturbances would be handled in future.

Mr. Li replied that China had little capacity to deal with civil disturbance after so many years of peace.

"I asked him if they were going to deal with it and he said yes," Dr. Owen said.

Mr. Li "got out his pen to do the mathematics" and noted that China had only 11 policemen for every 10,000 people compared with 44 policemen for every 10,000 people in Japan.

"Clearly he seemed to me to be accepting that using the armed forces for this sort of thing (handling civil unrest) was out," Dr. Owen said.

### Flexibility Over Seats

*HK1002020190 Hong Kong HONGKONG STANDARD in English 10 Feb 90 p 1*

[Text] China might yet agree to a higher number of directly elected seats in the future Hong Kong legislature, according to Dr David Owen, leader of the British Social Democratic Party.

He said leaders in Beijing had indicated "a little flexibility" over the 18 directly elected seats in the mainstream model recently endorsed by Basic Law drafters.

Speaking in Hong Kong after his talks with Chinese Premier Li Peng, Dr Owen said: "They did not give an exact figure, but I got the feeling that it could go up to 24, they might go to 20.

"I don't think 18 is the last figure that we could hear. They are indicating they are prepared to have a little flexibility."

He said British Foreign Secretary Douglas Hurd should visit China to continue negotiations.

But he warned that unilateral movement on the legislature would harm Hong Kong.

"A unilateral decision by Britain to exceed the number of directly elected seats would damage the Chinese-British agreement," he said.

The Chinese would not accept any loss of face through a unilateral decision by Britain, he said.

"The issue of wanting more democracy is the very issue they are most recalcitrant about. They are moving at the pace they think is safe."

### Exports to Mainland Increase

*OW1202064490 Beijing XINHUA in English 0142 GMT 12 Feb 90*

[Text] Hong Kong, February 12 (XINHUA)—Hong Kong's total merchandise trade in 1989 was 1,133.291 billion H.K. dollars (145.29 billion U.S. dollars), a 14 percent increase over a year ago.

Over the same period of comparison, the value of its domestic exports rose by three percent to 224.104 billion H.K. dollars (28.73 billion U.S. dollars) while its re-exports registered an increase of 26 percent to 346.405 billion H.K. dollars (44.41 billion U.S. dollars), the latest figures released yesterday by the census and statistics department show.

Thus, Hong Kong's total exports rose by 16 percent last year to 570.509 billion H.K. dollars (73.14 billion U.S. dollars) in value terms. Its imports increased in 1989 by 13 percent to 562.781 billion H.K. dollars (72.15 billion U.S. dollars).

Comparing 1989 with 1988, Hong Kong's exports to the Chinese mainland amounted to 43.272 billion H.K.

dollars (5.55 billion U.S. dollars), up 14 percent. Its imports from the Chinese mainland were 196.676 billion H.K. dollars (25.21 billion U.S. dollars) which represented an increase of 26 percent.

The markets with significant growth in the value of Hong Kong's domestic exports also included Taiwan, Japan and Singapore.

The figures also showed significant increases in Hong Kong's imports from Italy, Singapore, Taiwan and the United States.

However, Hong Kong's domestic exports to Britain, the Netherlands, the Federal Republic of Germany and the United States decreased in value terms.

Over the same period of comparison, Hong Kong's re-exports to Federal Germany, the U.S. and Canada increased substantially in value terms, by 52 percent, 46 percent and 45 percent respectively.

Its re-exports to the Chinese mainland registered a nine percent increase to 103.492 billion H.K. dollars (13.27 billion U.S. dollars).

### Pressure Applied for Reform Compromise Deadline

*HK1202013390 Hong Kong SOUTH CHINA MORNING POST in English 12 Feb 90 pp 1, 6*

[By Chris Yeung and Kent Chan in Beijing]

[Text] China is understood to be putting pressure on Britain to reach a compromise deal by next Saturday over the pace of democracy in the run-up to 1997.

Senior Chinese official, Mr Li Hou, said yesterday China still held out hope that an agreement could be reached before the final plenum of the Basic Law Drafting Committee ends.

But he said the mainland the proposal to increase the number of directly elected seats from 18 to 24 in 1997 was too radical.

Although tight-lipped on negotiations between Beijing and Whitehall on the convergence of pre-1997 and post-1997 political development, Mr Li said: "Time is running out. We hope Britain can make up their mind as soon as possible.

"We're still in the process of negotiation. There should be a conclusion very soon. We hold out hope for that.

"Of course, we hope that China and Britain can reach an agreement before the Basic Law drafters make the final decision at the end of the plenum."

Behind-the-scenes talks between the British Ambassador to China, Sir Alan Donald, and Beijing officials began shortly after the Governor, Sir David Wilson, held talks with senior mainland officials, including Mr Zhou Nan, the then vice-foreign minister and Mr Li during a visit to the Chinese capital last month.



Mr Li indicated it was unlikely that the controversial system of separate voting for the post-1997 legislature would be totally scrapped from the Basic Law, which must be finalised by drafters at the five-day plenum beginning tomorrow morning.

Mr Li, a deputy director of the State Council's Hong Kong and Macao Affairs Office, was speaking before attending a preparatory meeting of chairmen and vice-chairman today for the ninth plenary session to be held at the Great Hall of the People.

In addition to the Omelco [Office of Members of Executive and Legislative Council] consensus, Sir David is understood to have pressed the compromise 4-4-2 package, which calls for 24 directly elected seats, or 40 percent to the legislature in 1997.

The drafters' political sub-group stuck to its earlier ceiling of 18 directly elected seats in 1997 in the so-called mainstream political model approved with dissenting votes in Guangzhou last month.

Asked if the demand of 24 directly elected seats in 1997 was too high, Mr Li said: "Of course, it's too high."

He indicated, however, it was up to the drafters to determine at the plenum whether the ceiling of 18 seats should be raised.

"It's not for me to say. It's not a matter to be decided by me, Li Hou. I hope I can double the number of directly elected seats for you," Mr Li joked.

Mr Li, also secretary-general of the drafting body, reiterated that any divergence of political reform would be disadvantages to both Britain and Hong Kong. He added that China also did not want to see this happen.

"We can't rule out the possibility of any divergence now. But we've said time and again that any divergence will be disadvantageous to both Hong Kong and Britain. If there is no convergence, the political system formulated by Britain will only survive until 1997, then it's finished. Is it advantageous to Britain?"

"We hope that there will be a convergence. We try our best for it. We are not totally disappointed yet. Both sides are doing their best to step up the discussion. But I cannot tell you about our differences," Mr Li said.

Despite fierce mass protest from liberals against the mainstream model, Mr Li said: "It (protest) is common. Hong Kong people have seen too many and we have seen too many. We don't care about it any more."

He declined to say if the separate voting mechanism for the future legislature was among the issue still under diplomatic talks.

Mr Li, however, dismissed the theory that both sides would trade in a slower pace of democratic reforms for the scrapping of the split voting plan.

Despite fierce opposition from local politicians, business leaders and more than 10 local drafters, Mr Li said: "I think the chances for dropping the whole idea are small."

In an unprecedented move, at least 10 local drafters plan to make a joint proposal to scrap the separate voting mechanism approved by the political sub-group at the Guangzhou meeting.

Mr Li said: "They can propose an amendment. We don't feel it's a form of pressure. The drafters allow different views among each other. The issue of confrontation between local and mainland drafters does not exist."

Quoting a recent survey commissioned by a magazine, HONGKONG HERALD on the novel voting system, he maintained it was wrong to say everybody opposed the proposal.

"There is still considerable support," he said.

The survey found that 43 percent of the 523 respondents agreed with the split-voting mechanism, while about 30 percent opposed it.

#### Basic Law Drafters To Vote Against Proposal

HK1002023790 Hong Kong SOUTH CHINA  
MORNING POST in English 10 Feb 90 p 5

[By Chris Yeung]

[Text] At least 10 of the 18 local Basic Law drafters will vote against the China-backed separate voting mechanism for the post-1997 legislature in the mainstream political blue-print, at next week's plenary session in Beijing.

The local drafters will also make a last-ditch effort to reach a consensus on the pace of democratic reforms at a meeting today before they leave for the Chinese capital tomorrow for the start of the final plenum on Monday.

Meanwhile, criticism of the mainstream proposal gathered momentum yesterday as more than 200 tertiary students staged a demonstration at Chater Garden, as a prelude to a series of territory-wide protests organised by liberals against the conservative blueprint.

The students burned an effigy of the Hong Kong co-convenor of the Basic Law drafters political sub-group, Dr Raymond Wu Wai-yung, to show their dissatisfaction with the approval of the mainstream political proposal.

They also called for the mass resignation of local drafters.

Addressing the two-hour rally, liberal leader, Mr Szeto Wah, said: "The final political blueprint might end up as a distortion of the promises in the Sino-British Joint Declaration, a defiance of public wishes and the worldwide tide of democracy."

A total of 27 Catholic and Protestant bodies added their voice to the mounting protest by calling on all Hong Kong drafters to vote against the mainstream proposal at the plenum.

The moderates also issued a memorandum on the amendments to the political blueprint, denouncing the separate vote-counting mechanism.

The system has drawn fierce criticism from community leaders after it was approved by the drafting committee's political sub-group last month.

Four local drafters—Dr Raymond Wu Wai-yung, Miss Maria Tam Wai-chu, Mr Wong Po-yan and Mr Cha Chi-ming—voted against the system.

While pressing ahead for the deletion of the voting plan, Miss Tam said she would also seek support from colleagues to table the compromise 4-4-2 model.

It is understood that at least six other local drafters have indicated their opposition to the voting system at informal meetings among local drafters in the past two weeks.

Opponents include Mr Li Ka-shing, Mr Sanford Yung, Mr Cheng Cheng-hsun, Mr Lau Wong-fat and Dr Rayson Huang.

The local drafters have also met on the composition of the future legislatures, but views were said to be "very divided".

There are 18 local drafters in the 51-member drafting body. Two local drafters, Mr Martin Lee Chu-ming and Mr Szeto Wah, have been barred from future meetings because of their criticism of China over the June 4 crackdown.

—The Government School, Non-Graduate Teachers' Union has condemned the local drafters in its latest bulletin.

It warns that the solemn promises of "Hong Kong people ruling Hong Kong" and "one country, two systems" would become empty words if the mainstream proposal becomes final.

#### **Increase in Students Studying Abroad Noted**

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MORNING POST in English 9 Feb 90 p 3*

[By Viola Lee]

[Text] The confidence crisis caused by the June 4 massacre in Beijing and continued economic boom in the territory have resulted in more Hong Kong students going overseas to study.

Official figures show a 15 percent to 49 percent increase in the number of student visas issued last year for countries such as Canada, Australia, the United States and the United Kingdom, over 1988 figures.

The figures do not include those enrolled in overseas schools as permanent residents.

Canada attracted the largest number of Hong Kong students last year, 5,096, representing a 34 percent increase over 1988.

Canadian senior immigration counsellor Mr Robert Puddester said yesterday he expected the trend to continue.

There are about 14,000 Hong Kong students in Canada, which is the largest number of foreign students in the country.

The sharpest increase in student numbers was to Australia, up 48.6 percent to 4,678.

A total of 4,855 student visas were issued for the U.S., a 15 percent increase over 1988.

The United Kingdom took in 4,539 Hong Kong students last year, compared to 3,856 last year.

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